

## THE TIMES Tomorrow

Arms and the man  
Six months after the Falklands review, Michael Heseltine presents his first Defence White Paper. A full analysis.  
Man and his music  
Michael Ratcliffe reviews Alan Walker's new biography of Liszt, and...  
00 man  
Marcel Berlins turns to the latest thrillers.  
Ranchman  
Profile meets Sir Steven Runciman, historian extraordinary.  
Third man  
John Woodcock and Richard Streeton report on the Benson and Hedges Cricket Cup semi-final.  
Marxman  
Jyoti Basu, London-trained barrister and disciple of Harry Pollitt, is running West Bengal successfully under Communism. Michael Hamlyn reports.

## Foot to ask for new honours list

Senior Labour sources expect Mr Michael Foot to make an early request to the Prime Minister to allow a new honours list of working peers for the House of Lords (Our Political Correspondent writes). Mrs Margaret Thatcher and Mr Foot yesterday resolved their difficulties over the dissolution honours but the Labour leader has asked for the additional list to help resolve the problems created by a shortfall of working Labour peers.

## Rise in house prices forecast

House prices could rise by 15 per cent this year, three times the rate of inflation, the Nationwide, Britain's third largest building society, predicts.

## Reagan 'to run'

US Vice-President George Bush said in Dublin yesterday that Mr Reagan would run for the presidency again and be re-elected because of the American economic recovery. There was no White House comment. Mr Reagan has not yet declared his intentions publicly.

## Three drown

Two men and a boy have drowned in a fishing trip off the island of Laysan in the Inner Hebrides. A body was spotted last night by an RAF Nimrod aircraft.



## Petrol tussle

BP has been forced to cut its 8p gallon price rise to compete with Esso, which intends to sell a gallon of 4 star petrol for nearly £1.84.

## Bandleader dies

Harry James, the trumpeter and star of America's big band era who married Betty Grable, has died of cancer at 67.

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Letters: On hanging, from Mr W. McDowell, and others; MP's pay, from Sir Woodrow Wyatt; Labour peers, from Lord Diamond  
Leading articles: Madrid conference; Trade unions and NATO; Government and science features, page 8, 9, 10  
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# Big-spending town halls face £280m Government 'fines'

The Government acted last night to punish big-spending local authorities with multi-million-pound "fines" to bring them to heel.

Figures out yesterday show that 152 out of 412 English town halls are set to overshoot the Government's targets by £771m in the coming year.

And, with the disclosure yesterday of higher-than-expected money supply figures, Mr Patrick Jenkin, Environment Secretary, moved swiftly to cut £280m from Whitehall's grants to the mostly Labour-controlled councils.

But at Westminster, Labour MPs were furious at what they see as yet another manifestation of the continuing hard-line attitude of Mrs Thatcher's Government to local authorities.

A big parliamentary clash is certain when the rate support grant orders are debated in the Commons before the House starts the summer holidays at the end of this month.

The GLC, which overshoot the Government's target set last year by more than 33 per cent, is to get none at all of the £129m grant earmarked for it.

Seven Labour-controlled London boroughs are to have their grants cut by more than £50m, nearly a sixth of the total cutback made by the Government.

The news caused an immediate political storm with Mr Gerald Kaufman, Shadow Environment Secretary, accusing Mr Jenkin of turning the department into a "Kremlin".

Mr Leon Brittan, the Home Secretary, is under strong pressure to put the Home Office line against capital punishment in the Commons debate, which is expected next week.

In last year's vote, Mr Brittan opposed a return of capital punishment for murder, but subsequently voted in favour of making the penalty available to the courts for acts of terrorism involving the loss of human life.

Whitehall sources said yesterday that the Home Secretary was expected to make his views known to the Commons in the imminent debate, but there was no guidance available on whether he would speak in favour of reintroducing the death penalty for terrorist murders.

It is understood, however, that part of the pressure against Mr Brittan making such a move is the fact that one minister at least has indicated that he will ask for a dispensation from the Prime Minister to speak out against capital punishment for all forms of murder if Mr Brittan should throw his weight behind reintroduction.

It was understood last night that the Prime Minister would feel it right to allow a second, balancing intervention in the debate.

The vote on capital punishment will be so close that the result could go either way, according to the most detailed survey of MPs yet done (Richard Evans writes).

The issue will be decided by a small number whose intention is still unknown, the Howard League for Penal Reform said yesterday as it produced the figures for restoration, 317; against, 320; unknown, 13.

Jail staff's demand, page 2

reduction since 1976. Over the decade as a whole, the prevalence of cigarette smoking among women fell by about a fifth.

Taking consumption per smoker, there was no difference between 1982 and 1977; but total consumption fell by about a fifth, in line with the fall of 22 per cent in packed cigarette sales over the same period.

Reductions in prevalence between 1980 and 1982 occurred in all age groups except among young women aged from 20 to 24; it was steepest among men and women aged from 25 to 59; and the

proportion of men in this group who smoked cigarettes dropped from 47 per cent in 1972 to 33 per cent in 1982.

In the 1980-1982 period, not only were there fewer male smokers in the population but they smoked fewer cigarettes each week continuing a trend begun in 1978. Women smokers' average weekly consumption was still about 10 per cent higher in 1982 than a decade earlier.

Last year smokers were for the first time in a minority in every socio-economic group, including male unskilled manual workers among whom there was a decline from 57 per cent in 1980 to 49 per cent

and calling on him to abolish local government altogether. He said the cuts would mean higher rates, reduced services and fewer jobs.

The Government had already warned local authorities of a new sliding scale of penalties for each percentage point they overspent on the targets set by Whitehall.

Of today's total cut-back, the metropolitan councils - which, like the GLC, Mrs Thatcher is

"If you look at the way they set the targets - they call them targets but they are really ceilings - two-thirds of the overspenders are Tory-controlled, but they let them off by various dodges. So if you have a scheme like this you are left with Labour councils."

Apart from the GLC, some of the big targets for grant cuts are the metropolitan county councils which the Government has also pledged to abolish.

Top of the list is the West Midlands Metropolitan County Council which is to be "fined" more than £23m.

The hardest hit shire county councils are Avon, losing more than £18m, and Derbyshire losing more than £12m.

Outside London, the biggest "fine" on district councils is for Sheffield, which is to be cut by more than £14m to £83.178m.

Figures published yesterday by the Bank of England showed a surge in money growth during June, taking expansion way above the Government's targets.

Money supply surge, page 19

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Despite the tough language, the talks were said to have been hard but constructive. The Soviet leader apologized for his cancellation of the planned talks on Monday, which Dr Kohl told West German television was caused by illness.

Sources present at the meeting said Mr Andropov had difficulty walking and his left hand was shaking. However, he was fully alert mentally and swift in argument. German photographers were not allowed into the room until he was already seated.

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The Russians had gone into the Geneva arms talks with the Americans with a "sincere desire" to achieve positive results. Their missiles in European Russia were only a counterbalance to the Nato medium-range systems. He added, "But if American missiles are deployed on West Germany soil, the situation will change. The military threat to West Germany will grow many times."

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Water babies: PC Mark Winchester keeps a watchful eye on young bathers at the Serpentine in Hyde Park, offering a steady hand to Karee Kallaste, aged 19 months. (Photograph: Chris Harris). Weather, topless bathers, back page.

## FT hopes dashed by union

By Barrie Clement  
Labour Reporter

Management hopes that national print union leaders might whip their members into line at the strike-bound *Financial Times* were dashed yesterday.

A meeting of the executive of the National Graphical Association NGA, expected today, will not now take place. Instead, Mr Bryn Griffiths, president of the union, said yesterday that they would demand a substantial increase on the £304.67 recommended by a mediator, which was the same as the original management offer.

The demand will be put to Mr Andrew Kerr, chairman of the mediation committee, on Thursday and will severely test the wording and the spirit of an agreed procedure to end the dispute.

The negotiating framework, underwritten by Mr Len Murray, general secretary of the TUC, allowed for three days of talks which were to end last Sunday with recommendations by Mr Kerr. His conclusions were to be "respected" by both sides.

The procedure was extended until Thursday because the mediator has discarded the NGA's case for more money, the union negotiators had called for more time.

A meeting on Monday of the 24 machine minders at the centre of the five-week stoppage who are demanding £322 a week, called for a substantial increase.

Mr Alan Hare, chairman and chief executive of the *Financial Times*, said yesterday: "We very much regret the delay - it was not of our choosing."

The demand for more money will mean new talks which makes the early return of the newspaper unlikely. But today the company will have lost 31 editions and £5m.

**Sunday Standard to close down**

The *Sunday Standard*, the Scottish quality newspaper launched in Glasgow in April, 1981, is to close at the end of the month, with the loss of 79 jobs.

George Outram, the Loun-owned publisher, blamed disappointing circulation and advertising figures.

Page 2

## Hattersley attacks 'sectarian' left

By Anthony Bevins, Political Correspondent

Mr Roy Hattersley, one of the main challengers for the Labour leadership, last night took on the left-wing of the party with a scathing condemnation of its sectarian politics and policies.

He warned the party that he was unequivocally opposed to the Militant Tendency, that he was against the eviction of American bases and that he supported continued membership of the Common Market.

But his close friends were saying last night that the tone of his remarks were such that he could not possibly serve, with any commitment, as deputy leader to Mr Neil Kinnock, because it is held by Mr Hattersley's supporters that Mr Kinnock would be a prisoner of the left and would comply with its wishes.

If Mr Kinnock was elected leader, it was said, it would therefore be better that he should work with a deputy leader like Mr Michael Meacher, who would at least believe in the left-wing line.

Mr Hattersley's forthright views of the left were given in a letter to Mr Arthur Latham, a former MP and a prominent member of London's hard-left Labour establishment, who had written to ask for the leadership contenders' views on the Militant, the EEC, unilateral nuclear disarmament and abolition of the Lords.

Instead, Mr Latham received a round rebuke from Mr Hattersley, who said: "The contents of your letter demonstrate why the Labour Party is

in its weakest position for 60 years and why - unless we rapidly change our ways - we risk changing from a party of power to a party of protest."

He explained: "You have picked out from a whole range of policies four items which were massive vote losers during the general election."

"More important, you have chosen issues which our traditional supporters - including the five million voters whom we have lost during the last 20 years - either regard as low priority or fear obssess us to the exclusion of the more practical considerations about which they are deeply concerned."

"Most worrying of all, the theme of equality (which is the cornerstone of socialism) is totally absent from the subjects which you seem to think are important."

But Mr Hattersley nevertheless responded on Mr Latham's four issues, albeit in the same defiant and angry tone.

He said on the expulsion of the Trotskyist newspaper *Militant*: "It is extraordinary that at a time when there are almost four million workers on the dole, the health service is under threat of destruction, Labour councils are to be subject to direction from Tory central government, social security payments are likely to be reduced and we await another onslaught on public expenditure, your first question about the policies of my

Continued on back page, col 6

## Dole pledge avoided by Thatcher

By Our Political Reporter

The Prime Minister yesterday deliberately left open the possibility of a future cut in the real value of unemployment and other short-term benefits as a contribution to efforts to reduce Government spending.

Far from repudiating Mr Nigel Lawson, the Chancellor of the Exchequer, for saying that the future value of benefit against prices could not be guaranteed, Mrs Thatcher went out of her way in the Commons to stress that the pledge given in the Conservative Party manifesto to "price protect" pensions and other linked long-term benefits did not apply to dole money.

Her statement that the question would not arise until after next year's Budget, because benefit rates from this November have already been fixed and announced, and her invitation to MPs to defer the debate on the issue until then, left some back benchers convinced that Mrs Thatcher is willing to face a confrontation with the liberal wing of her party.

Conservative backbench experts on social security believe that for "dindexing" to have any significant effect on public spending it would have to apply also to the short-term rate of supplementary benefit, which the majority of unemployed people also receive. Only some 750,000 people receive unemployment benefit alone. It is pointed out that the restoration earlier this year of the 1980 5 per cent cost only £60m.

## Paris calls off world exposition

From Diana Geddes  
Paris

France has abandoned its plans for a multi-billion franc "universal exposition" in Paris in 1989 to commemorate the bicentenary of the French Revolution, because of opposition from local Gaullist leaders.

The world "expo", the first to be held in Paris for more than 50 years, was expected to cost 10 to 14 billion francs (£850m to £1,200m), depending on the site chosen, and to attract more than 60 million people over a six-month period. Receipts were expected to total 50 billion francs.

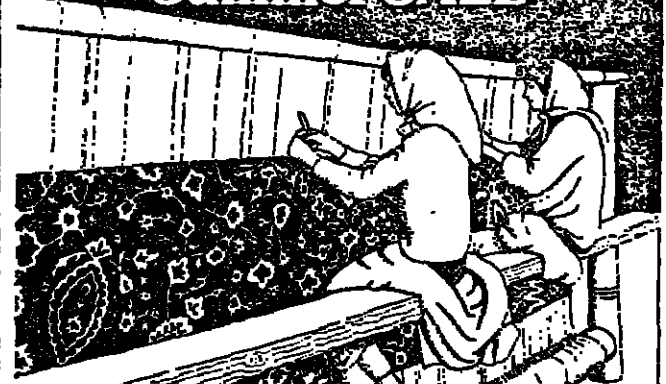
The exposition would have given a boost to industry, brought in much-needed foreign currency, brought international prestige to France, and left a lasting memorial to the most important event in French (Socialist) history. Monuments left by previous expositions include the Eiffel Tower of 1889, and the Grand Palais of 1900.

But the logistic problems involved, particularly transport and hotel accommodation, would have been enormous. M. Jacques Chirac, the Gaullist mayor of who initially gave his approval, decided last week that it was altogether too complicated and risky at a time of economic crisis.

The Socialists believe, however, that M Chirac's decision was a politically-motivated act of vindictive sabotage and pique at being virtually excluded from the organization and management of the exposition.

There have been only three universal expositions since the last war: Brussels in 1958, Montreal in 1967 and Osaka in 1970. The first was held in London in 1851.

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(Peking & Aushan)	5x7, 6x9	£200-£250
6 Plain Heavy Chinese (self emb)	12x9	£100-£150
46 Old Kermans (flat weave)	5x7, 6x9	£90-£120
75 pcs Belouch Tribal Rugs	4x6 & 8	£95-£120
1 pc Ark Old Persian (flat emb)	11' x 16' 10"	£400-£450
100 pcs Kula, Hekla, Yabek (Turkish)	6x9, 8x9	£199-£285
1 pc Balkan Tahire Red (Turkish)	15x12	£2,650
150 pcs Fine Bokhara (Pakistani)	6x9, 8x9	£299-£3,500
(all colours silk pile)	9x6, 10x7, 12x9	£299-£3,500
30 pcs Silk (China) geometric	6x9, 8x9	£180-£371
1 pc Fine Blue Turkish (Persia)	13' x 10' 1"	£2,360
60 pcs Super Washed Chinese (Aushan & Peking)	all sizes	£460-£1,800
1 pc Super Afghan Maize (Gulu)	14' x 11' 5"	£2,375
1 pc Old Super Washed Chinese Gold Floral	15' x 10' 6"	£1,450
50 pcs Kashmir Heavy, Med. Hunting etc.	6x9, 8x9, 12x9	£295-£1,250
1 pc Tahire (Persia) Tree of Life	12' x 8' 7"	£3,275
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## PARLIAMENT July 5 1983

## Thatcher declines to give long-term dole pledge

## PM'S QUESTIONS

Mrs Margaret Thatcher, the Prime Minister, questioned in the Commons about future unemployment benefit rates, said that as already announced, benefits would be increased by 8.7 per cent from November. She did not, she said, understand what the debate was all about. But she declined to pledge the Government to increase the benefit in line with inflation for future years. It was not a linked long-term benefit, she said, and therefore on pledge about protection had been given at the election.

She said that after the November uprating the value of the benefit would be higher than when the Conservatives took office.

Mr Grenville Janner (Leicester West, Lab) asked: When she met her ministerial colleagues today did she discuss with them the long-term proposal made by the Chancellor of the Exchequer to reduce the real value of unemployment benefit?

Such a proposal would lack both compassion and common sense and adding to the suffering of the unemployed is no resolution whatever to the problems of the unemployed.

Mrs Thatcher: The decisions on the rate of unemployment benefit which apply from this House by the Secretary of State for Social Services the other day in Parliament. We are restoring the 5 per cent cut made in 1982.

That means in November the standard rates of unemployment benefit go up by more than 8 per cent to £27.05 for a single person and £37.75 for a married couple. The rates have been fixed and announced in this House and I do not understand what the debate is about. (Labour interruptions)

Mr Michael Foot, Leader of the Opposition (Blakenau, Gwent): When she told us she did not understand what the debate about unemployment benefit was about, does that

mean she now repudiates - as we would all wish her to do - the statement by her Chancellor of the Exchequer a few days ago that cutting the dole might enable unemployed people to get jobs?

The cuts in dole which her Government has done have not had much success so far in getting any jobs.

Mrs Thatcher: The point is a simple one. The rate of unemployment benefit which will be paid from the coming November to the following November has been announced to the House. It includes not only 3.7 per cent inflation but it restores the 5 per cent which was previously cut off. Therefore the unemployment amount from next November to the following November has already been announced.

The question does not therefore arise again until after the Budget next year, and probably until after the RPI figure is announced in June next year as to the rate for the following November. It seems to me it would be better to defer debate until then. (Labour interruptions)

Mr Foot: Would she give us an absolute undertaking that the value of the benefit will be consistent after that period? Does this not mean she is now prepared to repudiate the statement by her Chancellor of the Exchequer?

If that policy as defined by the Chancellor of the Exchequer were carried out, it would mean a further increase in the means forced on to means-tested supplementary benefit, which are already a record total.

Mrs Thatcher: During the election campaign, the manifesto pledge we gave was "in the next Parliament we shall continue to protect retirement pensions and other linked long-term benefits against rising prices."

Unemployment benefit is not a linked long-term benefit, as we duly explained, and therefore no long-term pledge about price protection was given.

The amount which is paid out to

people who are unemployed is of the order this year of £2,500m. Something under £2,000m is actually paid out by way of unemployment benefit from the national insurance fund.

Therefore the majority of the unemployed obtain what they most want by extra benefit from the social security system. This is precisely what it is there for.

Mr Foot: The Chancellor of the Exchequer talked about cutting benefits as a means of getting jobs.

Mrs Thatcher: I have indicated precisely what the position is. The relationship between unemployment benefit and social security benefit and minimum wages and the wages actually paid is a source of great debate among academics considering them.

Mr David Wainwright (Walsall North, Lab): Did she read the speech made by Mr Francis Pym? Will she bear his remarks in mind when deciding with ministerial colleagues whether or not the real value of unemployment benefit is to be cut?

The remarks made by the Chancellor of the Exchequer with regard to unemployment benefit were harsh and contemptuous even more so bearing in mind that so many jobs are direct victims of the Government's own disastrous economic policies.

Mrs Thatcher: I have read the speech. I have made the position of unemployment benefit abundantly clear. Perhaps there is one point I did not sufficiently emphasize - after the November uprating, the value of the benefit will be higher than when we took office.

Mr Norman St John-Stevas (Chelmsford, C): Her statement today on unemployment benefit is extremely welcome and has made the position clear because it would be unacceptable, I believe, to many people on this side of the House if the unemployed were to be further penalized.



Mr Janner: Iniquitous proposal.



Mr St John-Stevas: Cut unacceptable.

Mr Janner: I am grateful to him. I should like to say that I was only repeating the relevant sections from the statement of the Secretary of State for Social Services made soon after the Queen's Speech.

Mr Max Madden (Bradford, West, Lab) said that a married couple with two children had a basic unemployment benefit of £41.05 which was very low.

Where is the way in which such families could bear cuts in benefit this year or next year?

Mrs Thatcher: I do not think Mr Madden has given me the reply I have just given which is that unemployment benefit, when the increases announced after the Queen's Speech are in place, will be slightly higher than they were in real terms when we came to office.

In so far as that is insufficient, there is available and should be available supplementary benefit.

Mr Janner: The Chancellor has increased in November to the amount announced in the Budget, that will also be a record amount.

Mr Tim Smith (Beaconsfield, C): Encouraging figures for retail sales and housing starts are further evidence that there is plenty of demand in the economy and that recovery is unmistakably under way.

Mrs Thatcher: Both figures are very good news, and housing starts provide quite a lot of extra jobs.

Mr Smith is right that there is a lot of demand and we have to make

sure that our goods are so well designed and produced that they meet that demand rather than imported goods.

● The system of proportional representation did not give clear decisive government, Mrs Thatcher said in reply to later questions.

Mr Andrew Mackay (Berkshire East, C): Has she the opportunity to study the consequences of the Italian general election where, under the system of proportional representation, the Italian people are now going to have to suffer yet another minority coalition government?

Mrs Thatcher: Yes, I am afraid a system of proportional representation does not give clear decisive government has consequences in which many people who fought that election on the basis of one manifesto then have to compromise everything they said in order to do deals with other minor parties.

Dr David Owen Leader of the SDP (Plymouth Devonport): If the first-past-the-post system had been in place, there would have been a number of Conservative MPs who would have been elected to the House of Commons. Is this the kind of clear decisive government the Prime Minister wishes to see among one of our principal NATO allies?

Mrs Thatcher: The existing system served him very well when he was Foreign Secretary.

## Steel town community goes on strike in battle with Madrid

From Richard Wigg, Madrid

A 48-hour general strike which began yesterday closed the Spanish steel town of Sagunto, near Valencia. As an entire community strove to stop the Socialist Government going ahead with closure plans.

The steelworkers and their families are due to arrive en masse by coaches in Madrid today to try and put pressure on the Cabinet as it braces itself to decide on the first concrete steps to restructure Spain's overblown and high cost steel industry before the hoped-for entry in the EEC.

The Socialists are risking the first serious dent in their popularity with the working class eight months after election to power. They have to tackle an economic and social problem avoided by previous governments which ignored the energy crisis warnings of the seventies.

The 55,000 strong population of Sagunto has been mobilized practically without stop since February, when the threat first loomed of 2,000 jobs in the local steel plant, employing 4,500, and an estimated 10,000 more losses in ancillary jobs.

They have called for the resignation of Señor Carlos Solchaga, the Industry and Energy Minister. As well as the Socialist chief minister of the Valencia autonomous region.

Protesting that they would fight by all means "the death of an entire town", steelworkers last weekend isolated Sagunto, blocking the railway line to Barcelona and the Mediterranean coast motorway.

Hooligan elements damaged property and set fire to railway installations. The town council has even appealed to Spain's ombudsman.

In a highly emotional atmosphere, underlining the fragility of Spain's social fabric with two million unemployed already, Señor Solchaga told the nation on Monday night on television it must adapt to changed times. Where Spain's steel consumption in 1974 reached 11.7 million tonnes, and was then projected to be 20 million by 1982, the real figure last year was only eight million tonnes.

Cuts in Britain's steel industry of 60 per cent had taken place, he said, and 33 per cent was the EEC average, but Spain could no longer find the money to maintain steelworkers' jobs by continuing the boom year policies of highly subsidized production and low priced steel sales abroad.

Señor Solchaga, a Social Democrat economist who studied at Cambridge and the Massachusetts Institute of Technology last month made public the Government's still rather tentative draft white paper on restructuring Spanish industry.

Sagunto comes before the Cabinet meeting today as the first test of whether the Socialists are in earnest. Starting with steel and shipbuilding, plans will extend to all the crisis sectors.

Señor Solchaga has told his Cabinet colleagues - worried about their popularity, trade union pressure and even public order - that if they try and muddle through now half of the 800,000 existing jobs in the crisis sectors will disappear in the next few years.

The only alternative is a rationalization programme with the loss of at least 65,000 jobs over the next three years to lay the basis for new jobs in the future.

Some 10,000 jobs must go in Spain's integrated steel sector 2,500 of them at Sagunto under a decree ordering the dismantling of its coke ovens, blast furnace and sintering plant at the publicly-owned Altos Hornos del Mediterráneo (AHM).

The decree prevented a new hot rolling mill being put there, which would be Spain's third and most modern.

Maintaining that Spain's factories import 75 per cent of the steel plating they need, Sagunto steelworkers' leaders say they are victims of political decisions.

The Government, they claim by not approving the new hot rolling mill, is opting to keep Spain dependent on EEC steel producers.

Señor Solchaga's rationalization plan will concentrate on modernizing the state's existing Ensidesa steel plant at Avilés Asturias, and on the still privately-owned Altos Hornos de Vizcaya, at Anso, in the Basque region.

## More tenants get right to buy

## HOUSING

The evidence that council tenants preferred to own their homes even more compelling than it was in 1978 when a survey showed that home ownership was the preferred form of tenure for 90 per cent of those under age 45 and for 61 per cent of those over that age.

Mr Ian Gow, Minister for Housing and Construction, said in the Commons.

He was moving the second reading of the Housing and Building Control Bill which extends the right to buy to tenants whose landlords own a leasehold rather than a freehold. The measure, which was going through the Lords when Parliament was dissolved for the general election, also increases the discount from 50 per cent to 60 per cent for tenants of 30 years standing or more.

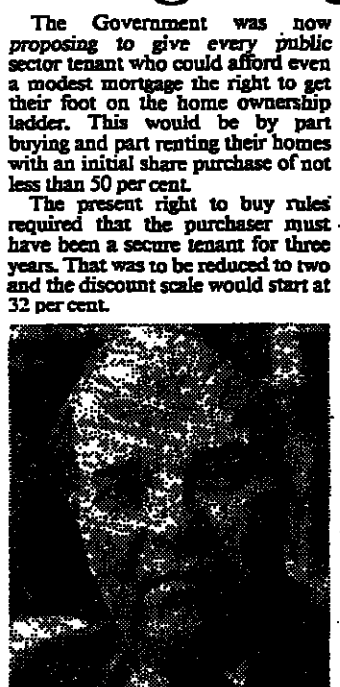
Mr Gow said that during the last Parliament more than 550,000 tenants bought their homes under the right to buy or under voluntary schemes. There were more than 150,000 right to buy sales in the pipeline.

Those figures (he said) tell their own story. This Bill carries a stage further the principles which inspired the Housing Act 1980.

The Bill extends the right to buy to public sector tenants of leasehold property; public sector included not only local authorities, but new town and housing association tenants. There were 50,000 such tenants in England and Wales and the Government saw no reason why they should be excluded from the right to buy.

The Government also proposed that the right to buy be extended to dwellings that had not been adapted for use by the disabled. However, purpose-built and sheltered accommodation for the disabled would still be excluded.

The Bill introduced a new right to shared ownership because the Government was determined to give more opportunities for home ownership to the less well-off tenants. Local authorities in new towns and housing associations have successfully operated such schemes on a voluntary basis.



Gow: The figures of sales tell their own story.

There would be a continuing need for public sector housing to let and not just for the elderly, disabled or one-parent families. Housing starts in the public sector this year were higher than last year.

Parts II and III of the Bill dealing with building control reflected the Government's belief that wherever possible the individual should enjoy greater freedom and choice and should accept the responsibility that went with it. These parts reflected also the Government's conviction that in many areas of policy partnership between public and private sectors rather than a municipal monopoly provided hope and opportunity for progress.

Mr Gerald Kaufman, chief opposition spokesman on the environment (Manchester, Gorton, Lab) said the Government's war against the housing crisis was a remarkable feat. The aim of part II was to allow competition to

blow across the arid wastes of building control inspection.

The Bill was so uncertain about the effect it might have that it went to great lengths about laying down procedures for direction when a local authority rejected certification issued by a developer on its own behalf.

The Government's Bill provided for its duplication by confirmatory inspection.

The Bill (he said) is a curious mixture of legislative provision for institutions, negligence, and with the most tortuous bureaucracy to eliminate bureaucracy.

All those procedures were tucked away in the least glamorous part of the Bill, although they were vital to public safety.

The glamorous part of the Bill dealt with compulsory sale of public sector houses but the central part of the last Bill, dealing with sale of housing charity trust property had gone. Housing adapted for the disabled was to be forcibly sold off. That was a squandered opportunity to deal with the housing crisis facing Britain today.

The nation was suffering from an unprecedented housing crisis. By 1986 there was likely to be a shortage of 37,000 homes. By 1990 there was likely to be a shortage of 517,000 homes. Building material producers were forecasting that building for owner-occupation was in decline.

The Government was to a considerable degree responsible for the crisis, a crisis which the Bill ignored. Over the coming session, the Opposition would use the debate on this Bill to put forward its own considered, constructive policies to deal with the national housing crisis.

## BMA worried about records on computers

## HOUSE OF LORDS

The British Medical Association was concerned that doctors would be unable to safeguard the confidentiality of medical records under the provisions of the Data Protection Bill, Lord Elwyn-Jones, speaking for the Opposition, said during the Bill's second reading debate in the House of Lords.

The Bill, originally brought forward in the last session but fell with the dissolution of Parliament, seeks to protect private individuals from the threat of the use or misuse of information held on computers. It provides for a system of data registration through an independent data protection registrar.

Lord Elwyn-Jones, Under Secretary of State, Home Office, moving the second reading, said that amendments which had been introduced since the Bill was first introduced significantly reduce the burden on commerce and industry of complying with the legislation.

The Bill now exempted personal data held only for payroll and accounting purposes and data held by a person already under a statutory duty to make the data publicly available. This would exempt various public registers which companies were required to keep under the Companies Act.

Among other changes was one that concerned the registrar's power of entry, search and seizure. The occupier of the premises would normally have the opportunity of being heard by the judge considering the application by the registrar for a warrant and the user would also be given a copy of anything seized.

The Government believed the Bill would guard effectively against any threat posed to the individual by the computer processing of personal data and protect commercial interests by enabling the United Kingdom to ratify the Council of Europe Convention on this subject.

Lord Elwyn-Jones said the Opposition would use the debate on this Bill to put forward its own considered, constructive policies to deal with the national housing crisis.

protection authority to fulfil duties for the protection of data subjects and users with a function and role and statutory powers like those of the ombudsman, with power to conduct spot checks.

In spite of the change that had been effected in the Bill there was still a failure to set out what duties should be imposed on the registrar to perform.

The BMA had communicated with him and had come out strongly against the exemptions which the Bill provided.

It stressed that the principle of data protection was that information should be regarded as held for specific purposes and not used without proper authorization for other purposes. What troubled the BMA was that doctors would be unable to safeguard the confidentiality of medical records if transfers of information could be made in secret to "computer systems" if the registrar could not check the existence of records.

A hospital employee with access to a patient's notes could transfer the information to the police without the patient or doctor's consent and the data held by the police could then be held by the police indefinitely.

Lord Avebury (L) said he regretted that a Bill which should have been universally welcomed as an extension of civil rights had been framed in such a way as to cause grave and justified alarm, particularly among lawyers, doctors, ethnic minorities and civil liberties organizations.

This was because of the Government's possible intention of holding data held for the control of immigration.

Black people might fear coming to the notice of any State Agency in case their names were passed on and may even refrain from seeking medical treatment. The Bill would damage race relations.

The Bill was read a second time.



Burton's brides: Richard Burton, the actor, with Sally Hay, aged 34, a former BBC production assistant who has become his fifth bride. They married in Las Vegas on Sunday. The others were (from left): Elizabeth Taylor (twice), Suzie Hunt and Sybil Williams.

## Glenn turns down secret papers offer

From Nicholas Ashford, Clear Lake, Iowa

Senator John Glenn said that he had been offered secret campaign materials from one of his opponents in the campaign for the Democratic candidacy for President, but he refused to accept them.

Senator Glenn, who is campaigning in Iowa during July 4 holiday, said: "We already had some material volunteered out of one of the other camps. We declined accept it and I put out word all my staff that we would accept any material from a other camp."

He added: "We're not asking for other candidates' papers or any putting any mols anyone else's campaign, nor we accepting any purloin material from anyone else. Senator Glenn did not say if which candidate the campaign materials offered had come."

Senator Glenn urged President Reagan to resolve as soon as possible the dispute over his campaign staff obtain several hundred pages of former President Carter's brief papers in 1980.

He said: "When you're something like that it really very badly and unfairly anyone else who is on a political scene, I hope they bring out everything there is about that, get it out and clean house."

## Monsoon in India kills 32

Delhi (AFP) - Floods and monsoon rains caused at least 32 deaths in India during the past 24 hours, and virtually all big rivers were swollen above danger level.

In Delhi a boy of 10 and a woman were electrocuted on Monday night after 41 mph winds uprooted electric poles and trees.

In western Maharashtra state landslides killed at least 15 people and many were still missing.

● PEKING: Torrential rain hit the central Chinese city of Wuhan on Monday, raising the level of the Yangtze river above its warning level and forcing tens of thousands of people from their homes. The New China news agency said yesterday.

## Policemen on trial for torture of terrorist

From Peter Nichols, Rome

A Padua court is hearing the case of four policemen from a special anti-terrorist branch who are accused of having tortured a terrorist arrested when they freed the American General James Dozier in January, 1982. He had been kidnapped by the Red Brigade.

A fifth accused, Salvatore Genova, who led the police group, could not be tried because he was elected to the Chamber of Deputies in the general election a week ago. For proceedings to be taken against him his parliamentary immunity would have to be lifted.

The arrested terrorist, Signor Cesare, was sentenced to 29 years imprisonment for his part in General Dozier's kidnapping, claims that the police blindfolded him, took him out

## Greeks prevent British arms ship leaving

From Mario Modiano, Athens

The Greek Defence Minister yesterday withheld permission for a small British cargo ship to leave Piraeus on suspicion that it might be engaged in gun-running.

The ship, the 334-ton Ivy B, arrived in Piraeus on June 27 with a cargo of cement and small arms, both loaded in Izmit the Turkish port in the Sea of Marmara.

The Irish master of the Ivy B, Captain Frederick Kirk, declared his cargo and told the authorities he wanted to refuel. But the ship was detained because he had failed to obtain advance clearance to transit arms through Greek territorial waters.

According to the ship's manifest, the cargo consisted of 250 tons of Turkish cement bound for Calcutta, and 2.5 tons

## The driver who ran over himself

From Christopher Mosey, Stockholm

A 31-year-old man was recovering in hospital yesterday after achieving the unlikely and painful feat of running himself over with his own car.

When his vehicle stalled, got out, leaving the ignition switched on and the car in gear. He opened the bonnet, connected two wires. The car started, ran him over, crashed into a wall.

A spokesman at the hospital where he is being treated for his injuries, said that the man was not in danger.

"I cannot give you his name under the Swedish secrecy law (designed to protect individual freedom). Besides, he is rather anxious that he should not be identified. He is not feeling exactly pleased with himself."

## ILEA to be replaced by board

## EDUCATION

The Inner London Education Authority is to be abolished by the Government and replaced by a joint board of elected representatives from inner London boroughs, Mr Robert Doherty, Secretary of State for Education and Science, said when answering questions for the first time since his appointment.

Mr Nigel Forster (Canterbury and Wallington, C) asked whether the Government intended to abolish ILEA in the context of abolition of the Greater London Council.

Mr Doherty replied it did.

Sir Nicholas Bonsor (Upminster, C): Will the minister confirm it is the Government's intention to abolish this incompetent and inefficient education authority?

Mr Doherty: Yes. We shall be replacing it with a joint board based on elected representatives of inner London boroughs and the City.

Mr Frank Dobson, an Opposition spokesman on education (Holborn and St Pancras, Lab): When her Majesty's inspectors considered 96 education authorities in England and Wales they found only five satisfactory and one was ILEA. Why should the Government punish success rather than failure?

Mr Doherty: The reduced grant was a direct result of an exceptionally high level of spending.

Later he said there would be a White Paper later in the year and the Government would consult interested parties as soon as possible.

Mr Thomas Cox (Tooting, Lab) said later that in school after school in inner London parent-teacher associations were fighting for increased expenditure on amenities. Their

problem was the lack of financial help the Government was giving to ILEA. The people of London would know how to tackle the Government if it attempted to break up ILEA.

Sir Keith Joseph, Secretary of State for Education and Science, said ILEA is the most extravagant education authority in the land. The Government's proposal when the GLC and ILEA are merged, is to abolish it and convert the management of ILEA into that of a joint board.

Mr John Widdows (Ruislip, New Wood, C): There are many people in the outer London boroughs at any rate who are scandalized by the disparity between performance in terms of results within ILEA and the amount of money disbursed.

It is incumbent upon the Government in the forthcoming review of greater London government to make positive proposals to

ment decided that unlike every other education authority in the country the inhabitants of inner London are no longer competent directly to elect the education authority responsible for running the schools.

Sir Keith Joseph: As the minister who was responsible for setting up the GLC and ILEA I have to correct him. The citizens of London do not elect ILEA. It is a creature by-product of the election for the GLC and has nominated members.

Mr Alan Bell (Berkwick upon Tweed, L): What finally killed off the idea to which he was so attached? Was it the impossibility for education authorities in providing education for the range of children they have under such a scheme, or the grotesque and desperate cost of it?

Sir Keith Joseph: The cost is a factor. But moving from what is a nationalized service to what would be a less nationalized service presents a myriad of problems.

Mr Harry Greenaway (Belling North, C): Social unity and educational harmony is more likely to come through diversity in forms of schools.

What would he do if he were invited to approve a Muslim school?

Sir Keith Joseph: I do not see the sting in Mr Greenaway's question considering any proposal for a school limited in selection is the duty of the holder of my office to consider the arguments for and against in the children's interest.

Mr Frank Dobson, an Opposition spokesman on education (Holborn and St Pancras, Lab): How has a nationalized service been able to disappear from the curriculum, or swimming and music classes have had to be abandoned because the local education authority cannot afford them?

Sir Keith Joseph: Local education authorities with the same resources and problems manage to deploy the money available to a different degree to cover an ambitious curriculum.

Voucher plan found to be impractical

Sir Keith Joseph, Secretary of State for Education and Science, said today that the idea of a voucher system for secondary education had seemed to be defeated in trying to turn the idea into practicality.

Asked if a voucher system covering secondary education would be introduced in this Parliament, he said: The Government has at present no plans to legislate for the introduction of a voucher system, but we are looking at all possible ways of widening parental choice and influence over their children's schooling.

Mr David Addams (Bournemouth East, C) asked Sir Keith if he accepted the concept that vouchers offered the widest opportunity to exercise the widest possible choice of secondary schools best suited to the aptitude and ability of their children in addition to determining those schools least popular to parents and local authorities better to face decisions on school closures because of falling schoolrolls.

Sir Keith Joseph: It was precisely for the reasons that Mr Addams speaks of that I was most intellectually attracted to the idea but I have never hidden the fact that there are great difficulties in turning the idea into practicality. We seem to be defeated by the problem.

Mr Peter Hardy (Wentworth, Lab): Was his decision not to proceed



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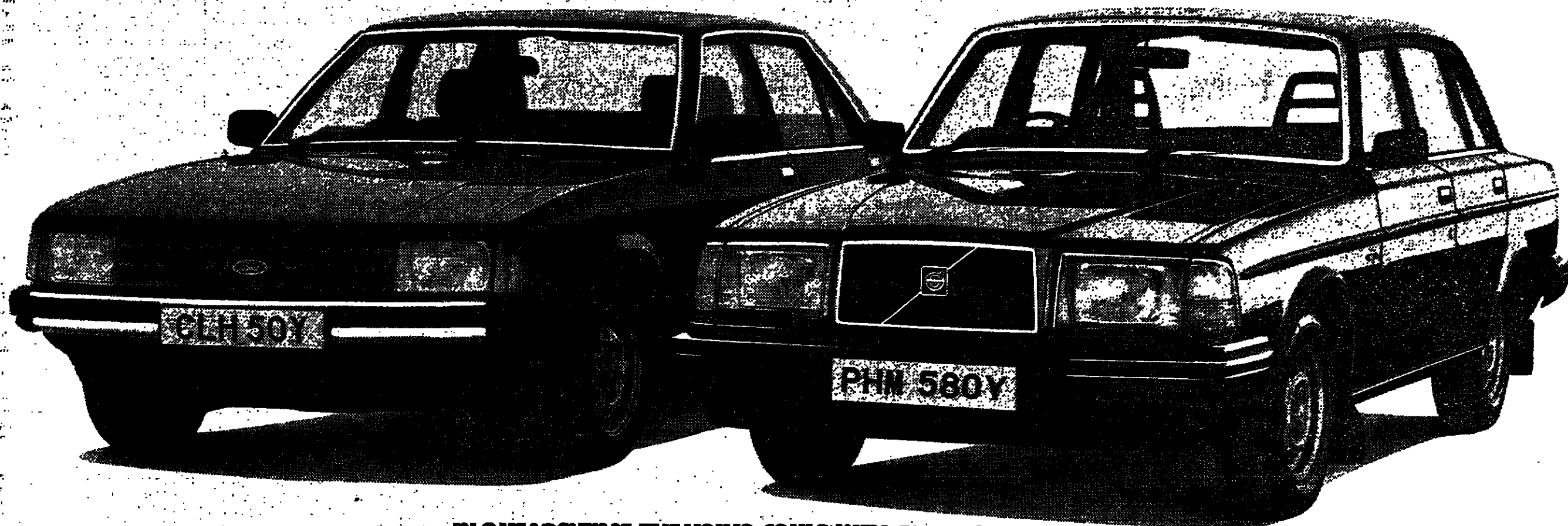
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## Turmoil in South African secret society after split on race reforms

From Michael Hornsby, Johannesburg

The chairman of the Afrikaner Broederbond, the supposedly secret brotherhood of the Afrikaner elite, has resigned in yet another volcanic disturbance testifying to the continuing subterranean turmoil within the ranks of Afrikaners, who account for about 60 per cent of South Africa's 4.6 million whites.

The resignation of Professor Carel Boshoff, a theologian at Pretoria University, who was elected chairman of the Broederbond in December 1980, was announced on Monday night by the organization's Executive Council. It said he had been replaced by Professor J. P. de Lange, the Rector of Johannesburg's Rand Afrikaans University.

The Council said that Professor Boshoff's chairmanship of the Broederbond had become "contentious" because of his parallel chairmanship of the South African Bureau of Racial Affairs (Sabra), a Broederbond front organization which has come out openly against the Government's constitutional reforms. Professor Boshoff remains a member of the Council.

The Government's Constitution Bill, which is before the all-white House of Assembly, provides for a new tricameral

Parliament for whites, mixed-blood Coloureds and Indians, elected on separate voters' rolls, and subject to the veto power of an executive president nominated by the biggest white party.

In a statement issued yesterday in Pretoria on behalf of Sabra, Professor Boshoff said the Bill would stimulate rather than appease racial conflict because it did not "conform to the requirements of exclusivity and racial equality". Every race group should have its "own geographical sphere in which it can exercise authority".

Sabra argues that the Coloureds and Indians should be given separate homelands like those already allocated to the different tribal groups within South Africa's black population of 21 million. This was the intention, Sabra claims, of the chief architect of apartheid, Dr Hendrik Verwoerd, whose son-in-law Professor Boshoff is.

On the face of it, the replacement of Professor Boshoff by Professor de Lange is a victory for Mr P. W. Botha, the Prime Minister, and the so-called *verligte* (enlightened or reformist) wing of the ruling National Party. Professor de Lange headed the Commission on Education which two years ago recommended (in vain) that

universities should be free to admit students of all races.

But the change of chairman also reflects the deep divisions that have opened up within Afrikanerdom since the break-away of the extreme right-wing Conservative Party of Dr Andries Treurnicht in March 1982. The Conservative Party's objections to the constitutional reforms are virtually identical with those of Sabra.

Although it has never quite lived up to its melodramatic image in the English-language press as a sort of secret Government, the Broederbond has served successive Nationalist Prime Ministers well as a vehicle for mobilizing support for the party line, particularly when this was under threat from a powerful minority faction.

Founded in 1918 to promote Afrikaner unity and culture, the Broederbond became progressively more political and played a crucial role in shaping Afrikaner nationalism in the 1930s and in the National Party's defeat of General Jan Smuts' United Party at the 1948 election.

The Broederbond is thought to have about 12,000 members, all of whom must be Afrikaner males of the Calvinist Dutch Reformed Church faith.



## Bush drops in on Bongo Ryan's bar

US Vice-President George Bush was not going to go Guinness when he visited Dublin. So he stopped at one of the city's oldest and most famous bars, Bongo Ryan's, on Monday night for a chat with the locals on his way from the Independence Day party at the US Embassy to the home of Mr Peter Dalley, the US Ambassador (the Press Association reports).

Yesterday he was confronted by a crowd of 100 demonstrators - including members of Sinn Féin, the IRA's

political wing - as he laid a wreath of red, blue and white carnations in the city's Garden of Remembrance, dedicated to the Irish people who died during the 1916-22 rebellion.

As the "Star-Spangled Banner" was played it was drowned by demonstrators yelling "Bush out". Irish CND members and people opposed to US Central America policy, joined the protest.

The Vice-President went on to pay a

courtesy call on Dr Patrick Hillery, Ireland's President.

After visiting Dr Garret FitzGerald, the Prime Minister, he played down America's role in finding a solution to Northern Ireland. Dr FitzGerald said America was uniquely qualified to encourage and support a political process to end the tragedy.

Mr Bush said it was America's duty to listen intently. "We are not here to intervene." He had great hopes for the New Ireland Forum.

## Egypt and Iraq form closer ties

From Robert Holloway, Cairo

Iraq, which led moves to ostracize Egypt for making peace with Israel, has agreed to increase the size of its diplomatic mission to Cairo, it was announced as Mr Tarek Aziz, the Foreign Minister, completed a three-day visit to Egypt.

Mr Aziz, the first Iraqi minister to visit Egypt since 1977, members of the Arab League severed relations with Egypt after the Baghdad summit in 1978, held what he called "brotherly talks" with President Mubarak and senior members of the Egyptian Government, including Field Marshal Abdulhalim Abu Ghazala, the Defence Minister.

Neither Mr Aziz nor Egyptian officials were prepared to forecast when the two countries might re-establish full diplomatic ties.

Its ruinous war with Iran has made Iraq heavily dependent upon supplies of Egyptian weaponry and Mr Taha Ramadan, the senior Deputy Premier of Iraq, recently said that between 12,000 and 15,000 Egyptian "volunteers" were helping the war effort.

But officials here concede in private that none of the states which broke with Egypt is likely to make a unilateral move to restore full ties.

"Saudi Arabia is the key," one source explained. "When the Saudis decide to mend fences, the others will follow."

## Shultz will try to persuade Assad

From Kate Dourian, Beirut

Mr George Shultz, the American Secretary of State, arrived in Damascus yesterday on the third leg of his improvised tour of the Middle East, although he admitted to having no inducements that would convince Syria to reverse its opposition to the agreement between Lebanon and Israel.

The Secretary of State, who flew to Beirut after a brief stop in Beirut, was met at the airport by his Syrian counterpart, Mr Abdul Halim Khaddam.

Mr Shultz made a four-hour stop in Beirut on his way back from Jiddah, Saudi Arabia, where he held talks with King Fahd and Crown Prince Saud al Faisal, the Foreign Minister.

Observers believe he was sounding out the Saudis on Syria's mood regarding the withdrawal of an estimated

40,000 Syrian troops from Lebanon and to seek Saudi leverage in dealing with the intransigent government of President Assad of Syria.

In Beirut Mr Shultz met Mr Amin Gemayel, the Lebanese president, and other officials.

"I don't have a basket of things to offer or anything like that," he told reporters, ruling out the possibility the US may offer concessions on the Golan Heights, the Syrian territory Israel virtually annexed in 1980.

Judging by Syrian inactivity on the eve of Mr Shultz's visit to Damascus, it would appear Mr Assad's Government intends to remain firm. Mr Assad reiterated Syria's rejection of the accord at a meeting on Monday with a Lebanese Muslim militia leader.

Mr Shultz has declared that the American-sponsored accord between Lebanon and Israel would not be renegotiated in spite of Syria's refusal to accept it in its present form.

Asked if he was any more optimistic now of breaking the deadlock Mr Shultz told reporters: "I wouldn't use words like breakthrough," but on his departure from Jiddah, Mr Shultz said that judging by Syrian statements, the United States assumed that Syria intended to withdraw its forces from Lebanon. "The question is what are the circumstances under which they would leave Lebanon," he said.



## Parties break off Uruguay dialogue

From Andrew Thompson, Buenos Aires

Uruguay's political parties have broken off their two months of negotiation with the military government on a new constitution, needed before the elections planned for November next year which will end more than 10 years of military rule.

On Monday night the Blancos, one of the country's two traditional parties, voted to intercept the dialogue in protest at a series of arrests of opposition politicians. The executive committee of the party voted 14 to one in favour of pulling out of the talks.

The two main internal tendencies of the party are now agreed that the Government, led by General Gregorio Alvarez, must make concessions before any resumption of the talks.

One of these tendencies, *Por la Patria*, had already withdrawn after the Government closed its weekly magazine, *La Democracia*. The other main tendency, *Movimiento de Rocha*, has joined it in protest at the arrest of one of its convention delegates, Señor Carmine Mederos Galván.

Señor Mederos Galván faces charges of insulting the armed forces and is to stand trial before a military court.

The other two parties participating in the talks, the *Colorados* and the *Union Civica*, had announced earlier that if the Blancos decided to pull out, they would join them.

"We are entering a period of uncertainty," Señor Enrique Tarigo, a leading member of the *Colorados*, said. "If the armed forces cannot talk to us, the moderate parties, who are they going to talk to?"

## Greece and UK to clash on budget

From Ian Murray, Strasbourg

Greece yesterday served notice that it will use its influence as President of the EEC Council over the next six months to increase the size of the Community budget.

This was made abundantly clear by Mr Yiannis Haralambopoulos, the Greek Foreign Minister, when he outlined the main aims of the presidency to the European Parliament meeting in Strasbourg.

The drive to get the size of the Community budget increased must bring Greece into direct conflict with Britain, which has made it equally clear that it remains to be convinced of the need for any such increase.

Sir Fred Catherwood, Conservative MEP for Cambridge and Wellesborough, told the Parliament that to increase spending without cuts in agricultural subsidies was like turning on the tap without putting a plug in the bath. His view is exactly that of the British Government.

But Mr Haralambopoulos, who gloomily catalogued the many difficult issues facing the Community, was in no doubt about the matter. "It is necessary for there to be an increase in own resources," he said flatly.

He pressed the Greek view that there must be a real move towards convergence between the poorer and richer states of the Community. He saw this as a vital element for the future survival of the EEC itself.

Mr Adam Ferguson, the Conservative MEP for Strathclyde West, told the Parliament that he had listened to the new president's speech with no great hopes.

While Greece was in the EEC chair, he prophesied, "the noise of ticking will be getting louder and louder. One source of this ticking is the Community's own time bomb... the Community budget".

## Quebec party in the doldrums Lévesque out on a limb

From John Best, Ottawa

The Parti Québécois Government of Quebec, whose separatist doctrine once caused Canadians to shiver about the future of the confederation, has started to wear a drooping look. It has been having trouble both at home and abroad.

The just concluded visit to Paris of Mr René Lévesque, Premier of the mostly French-speaking province of six million, was a partial success at best, though Mr Lévesque pronounced himself very pleased with it.

His main achievement was getting a letter of intent from a French Government-owned corporation to construct a huge Can \$1,500m (\$800m) aluminium smelter near Trois Rivières on the St Lawrence River. Details still have to be worked out and a formal agreement signed before the plant becomes a reality.

In political terms, the trip came close to disaster. Mr Lévesque hoped to use it to mobilize French support for Quebec independence, but found the Mitterrand Government unwilling to antagonize Canada. "Our ally and long-time friend," as M. Pierre Marois, the French Prime Minister, calls it. The Mitterrand administration displayed less interest in promoting Quebec sovereignty than any French government since the time of President de Gaulle.

The French Government refused to back Quebec's demand for separate status in the proposed worldwide common-

wealth of French-speaking states, saying only that Quebec should have "its proper place". The Canadian Government opposes separate representation for Quebec.

Mr Lévesque's setbacks overseas were an extension of many painful buffettings the PQ has been encountering at home, from which the Paris trip was intended partly as a diversion. There have been several highly publicized scandals. A co-founder of the PQ with Mr Lévesque, Mr Gilles Grégoire, was convicted on seven morals charges involving young girls, then got into a dispute with the party hierarchy over his refusal to resign his seat in the provincial legislature. He now sits as an independent.

Earlier, Mr Claude Charbon, the Government's House leader in the provincial legislature, had been convicted on different occasions of shop-lifting and driving while impaired. He resigned both his Cabinet position and his seat.

Mr Charbon's Montreal seat was won subsequently by the opposition Liberals in the by-election, one of three by-elections they won on the same day and the sixteenth that the PQ has lost since first taking power seven years ago.

The crucial factor in the PQ decline has been its progressive estrangement from the Quebec labour movement, once its natural ally and staunch political supporter. Last December the Government introduced a

series of draconian measures including wage reductions, curbs on strikes, aimed at correcting the fiscal mess it had created for itself earlier by excessive generosity to the powerful public service unions.

It also stumbled badly in the constitutional and judicial arenas.

The Premier's furious opposition to Canada's new constitution led him into launching an ill-considered case before the Quebec Court of Appeal, which ended with the devastating finding - for him - that Quebec has no right of veto over any constitutional development.

More recently, the Quebec courts found that the Bill of Rights embedded in the new constitution takes precedence over Quebec Bill 101, the province's French-language charter, on the question of who can and cannot attend English-language schools.

Reflecting the troubles, membership in the PQ has fallen from 293,000 to 159,000 in less than two years. A recent opinion poll gives the Liberals, though they are currently without a leader, a 2-1 edge over the PQ.

But most cruelly for Mr Lévesque, few Quebec people seem interested any more in his independence option. As a prominent Quebec nationalist, Mr Pierre Bourgault, put it recently: "At the moment, the idea of independence doesn't wash. The people don't have a mind for it."

## Junta missile deal denied

From Our Correspondent, Buenos Aires

Military sources in Argentina have denied that the country is involved in secret negotiations to purchase the Franco-Italian missile, the Otomat, which is considered more sophisticated than the Exocet, and has a longer range.

A source in the Argentine Navy said: "We are not commenting officially on these

reports, but you can take it from me that they have no base in reality."

Another source, well informed on military acquisitions policy, pointed out that there were no major purchases in the pipeline. "Most of the forces are pursuing existing contracts, many of which were signed before last year's war."

## Mururoa fallout 'not harmful'

From Diana Goldes, Paris

A French report on the effects of French nuclear tests on the Mururoa Atoll in the South Pacific is unlikely to satisfy critics such as the Australian Government.

The commission of inquiry's report published yesterday says that explosions above ground had introduced "a significant level of artificial radioactivity into the atmosphere, ocean and all living organisms in the area", but that it was "not worrying from a health point of view".

However, ever since the tests had been carried out underground, the radioactive contamination of the environment had been "reduced virtually to nothing in the short term." There was a limited risk of a leak of radioactive products at the moment of the tests, the report says, but adds that such leaks "would contribute negligibly to the radioactivity of the environment".

Nevertheless, keeping radioactive waste for long periods underground presented "problems which have still not been resolved." It must be admitted, the report says, that "we have little information about the risks of seepage of radioactive materials into the environment".

The report also points to "the omnipresent danger" of phenomena like tidal waves caused by the underground explosions, but insists there is no danger of seeing the atoll disappear beneath the waves. The commission of eight scientific experts, which spent six days on the atoll in June last year, was set up by President Mitterrand to answer questions inside and outside France about the Atoll's safety.

## Banda appoints new Cabinet after election

Lilongwe (Reuters, AFP) -

President Kamuzu Banda has appointed a new Cabinet for Malawi after last week's parliamentary election, the Malawi news agency reports.

Mr Robson Chirwa, Administrative Secretary of President Banda's Malawi Congress Party, the only political party allowed in the country, was made Minister without Portfolio, the post held by the late Dick Matenje.

Mr Matenje, Mr John Sangala, the Health Minister, Mr Aaron Gadama, the Central Region's Minister, and a Member of Parliament were killed last month during the run-up to the election.

Opposition elements, mainly in exile in neighbouring countries, said they were murdered by security forces as part of a power struggle for the succession to President Banda, who is believed to be in his eighties.

The Cabinet is: External Affairs, Agriculture, Justice, Works and Supplies: President Banda; Minister without Portfolio, Administrative Secretary of the Malawi Congress Party: Robson Chirwa; Minister at Large: Sydney Somweye; Finance: Chikanda Chirwa; Local Government: Kapelika Banda; Labour: Wadson Kaleza.

## Jaruzelski gets Order of Lenin

Moscow (Reuters) - The Kremlin announced yesterday that it was awarding the Order of Lenin to General Jaruzelski, Poland's military leader.

The award, Moscow's highest civilian honour, was timed for the general's sixtieth birthday, and marked the first time the Soviet Union has bestowed any medals on the Polish leader, who took power in 1981.

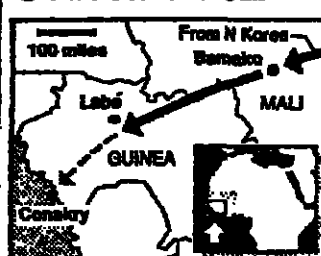
Tass said General Jaruzelski was being honoured for "his services in the development of fraternal friendship and cooperation" between Poland and the Soviet Union.

Western diplomats believe General Jaruzelski has never enjoyed full confidence in the Kremlin and the award did not necessarily mean the Soviet attitude had radically changed.

## Absent Malta minister fined

Valletta - A Cabinet Minister in the Maltese Government has been fined £300 for being to attend a parliamentary sitting where a Bill concerning devolution of church property was defeated by one vote. The Bill was moved again after a few days, and passed through all its stages. Dr Philip Muscat, the Minister of Education, subsequently sent in his resignation but it was refused.

## Koreans die in Guinea crash



Dakar (Reuters) - Twenty-three people died when a North Korean airliner crashed in Guinea last Friday, diplomatic sources disclosed here yesterday.

The aircraft was a Soviet-built Ilyushin 62 on a flight from Pyongyang, the North Korean capital, to Conakry. It crashed in Labe, in the Fouta Djallon mountains of Guinea. All the passengers were North Korean technicians building facilities for next year's OAU summit in Conakry.

## Quiet, please

Nairobi (Reuters) - President Moi of Kenya has banned public debate on the six-week "traitor" row which led to the resignation of Mr Charles Njonjo, the Constitutional Affairs Minister last week. I began when the President said that an unidentified foreign power was grooming an unnamed Kenyan to take over the presidency.

## Asylum plea

Stockholm - Miss Viktori Mullova, aged 23, the Soviet violinist who defected at the weekend while on a concert tour of Finland, has applied for political asylum in the US at the American Embassy here.

## Train deaths

Berlin (Reuters) - Three people were killed and 41 injured when a passenger train and an express train collided at Blankenfelde outside East Berlin yesterday causing substantial damage.

## 'Aids' deaths

Brussels (Reuters) - Acquired Immune Deficiency Syndrome (Aids), the mysterious disease mainly afflicting homosexuals, has killed 11 people in Belgium. Ten of the victims were from Zaire and the other from Chad.

## Talks end

Edward Youde, the Governor of Hongkong, who spent most of yesterday in discussions with Mr Richard Luce, Minister of State at the Foreign Office, and other officials, flies back to Hongkong today.

## Peking upset

Peking (Reuters) - China has told countries with embassies in Peking that it opposes links they may still maintain with Taiwan, including consular offices where Taiwanese can obtain visas.

## Strike called off

Lisbon (Reuters) - A general transport strike in Portugal was called off at the last minute when unions, management and the centre-left Government reached agreement on a pay deal.

## Unretrieved

Paris (AFP) - Police yesterday charged a man with kidnapping his former employer's dog, Rufus, for a ransom of 40,000 francs (£3,400). The Golden Retriever, kidnapped on May 10, has not been seen since.

## Bulgaria leaves

Vienna (Reuters) - Bulgaria has followed the Soviet Union and Czechoslovakia in leaving the World Psychiatric Association, saying it had become a political tool of the West.

## Correction

The Cameroon Republic is not a former French colony, as was stated in some editions on June 21. It consists of territories formerly administered by France and Britain.

150 من الاموال



سكرا من الاصل

Jaruzel  
gets On  
of Law

Absent  
minister

Koreans  
Guinea

Quia

Asylum

Train

Vide

Lull

Peking

Strike

Location

Belgium

# Eight million smokers decide it's better to kick the habit than kick the bucket.

The latest Government figures, published yesterday, show another dramatic fall in the number of smokers.

They are now very much in a minority.

There are twice as many non-smokers as there are smokers. (Cinema, theatre and airline owners please note.)

In fact, there are already more ex-smokers in Britain than there are people in Sweden.

Over 8 million of them.

All enjoying typical withdrawal symptoms.

They no longer have a smoker's cough. They can walk, hike, swim and play tennis without fighting for breath.

They can taste food and smell flowers again.

Their teeth and fingers are free of nicotine.

Best of all, they've substantially lowered their risk of getting bronchitis, emphysema, cancer of the lung and heart disease.

They're free of the habit and its consequences.

But if the battle is being won, the war is far from over.

Smoking still kills 250 people a day.

In a year, it's responsible for eight times more deaths than road accidents.

So though it's a dying habit, it's still taking a lot of people with it.

If you're still a smoker, we hope these latest figures will encourage you to give up.

Many people have found it much easier to stop than they'd feared.

And if eight million people can do it, why not you?

If you'd like a free copy of our booklet 'So you want to stop smoking' just write to us at PO Box 410, London SE99 6YE and we'll do the rest.

By the time the next Government figures come out, we hope you'll have become a non-smoker.

Just like most other people.

**THE HEALTH EDUCATION COUNCIL.**





Bergman's island paradise

After 40 years and 50 films, Ingmar Bergman insists that his latest work, *Fanny and Alexander*, "the sum total of my life as a film maker",

is his last. At his home on the remote island of Fårö he talks about the satisfactions of his career to Michiko Kakutani

## Bergman goes home

It is a chilly, desolate place, this Fårö. During the summer, tourists come here, bringing with them the laughter of children and the sun, but spring comes late to this Swedish island and even in May, reminders of winter remain. A Baltic wind that twists the evergreens into the shape of bonsai trees blows in from the sea, and in the early morning hours, a damp, insidious fog settles over the beaches, draining the landscape of colour and turning everything grey.

For Ingmar Bergman, who has had a home on Fårö since 1966, the island represents more than the landscape of his imagination, more than a familiar setting for his films. It represents, he says, the one place where he feels safe and secure, the one place in the world where he feels at home.

At 64, Bergman possesses the face of a mandarin. Though his pale, grey-green eyes can quickly turn cold and suspicious, there is a childlike brightness to his features and he is capable of expressing a warm bonhomie. These days, in fact, he seems particularly happy to play the role of benevolent paterfamilias - both in the studio and on the island.

This new prodigality of spirit is reflected in his most recent film, *Fanny and Alexander*, which its possibilities and joys. The film represented "the sum total of my life as a filmmaker", Bergman says, insisting it is the last one he intends to make.

"Making *Fanny and Alexander* was such joy that I thought that feeling will never come back," he says. "To make another picture and have it feel grey and heavy and difficult, with lots of problems - that would be very sad, and I have seen many of my colleagues get older and dustier and dustier until suddenly they are thrown out, cannot get money for their next picture, and must go around with their hats in their hands. That is something I do not want - better to stop now when everything is perfect."

A testament to the remarkable alchemy of life and art, Bergman's films form a kind of running autobiography, and *Fanny and Alexander* is at once a nostalgic reinvention of the director's own childhood and a mature summation of his work. All the

familiar Bergman themes and motifs are here - the humiliation of the artist, the hell and paradise of marriage, the quest for love and faith - but they are infused, this time, with a new tenderness and compassion.

Indeed, *Fanny and Alexander* possesses a generosity of vision reminiscent of Shakespeare's later comedies, for in summing up his life's work, Bergman seems to have achieved a measure of distance from and acceptance of his own past.

For those who have followed the director's career, this film - so rich in allusions to previous works - provides a kind of index to his entire body of work. And yet it is also more accessible, more straightforward in narrative and form, than many of his earlier films.

Since establishing himself in the mid-1950s with *Smiles of a Summer Night*, *The Seventh Seal* and *Wild Strawberries*, Bergman has earned critical acclaim as one of the world's foremost auteurs. During a four-decade career, he has made about 50 films. Translating the tragic, introspective vision of Strindberg from the theatre to the screen, he brought a new seriousness to the form, and he also demonstrated the medium's ability to probe philosophical issues and states of mind.

Bergman and Ingrid, his wife of 12 years, live far from the modern, planned communities of suburban Sweden, far from the conveniences of mass transportation. To get to Fårö, one must first fly from Stockholm to Visby, an ancient walled city of medieval churches and ruined choirs. From Visby, there is an hour's drive across Gotland, a rocky island. A ferry ride across a cold, windy bay follows, and then another drive across the sparsely populated island of Fårö itself, past ramshackle farmhouses and fishermen's shacks, through sheep pastures and pine groves to the director's isolated house - a low frame structure that stands perched like a lighthouse on the edge of the sea.

The same colour as the shale stones that cover the beach, the house seems almost a part of the landscape - grey, stark and inhospitable. Inside, though the wall-to-wall carpeting and sleek



Bergman and his wife Ingrid: remarkably like his mother

Scandinavian modern furniture lend a sense of happy, if somewhat contrived, normality and cheer. There are crayon drawings by Bergman's grandchildren on the study wall, and stacks of family photo-albums on the table. The prevailing impression is that of a pleasant, middle-class model home; only the room of screening equipment and an opulent television set hint that the house belongs to a film director.

Dressed in an old flannel shirt, a worn cardigan and a little red woolen ski hat, Bergman might at first glance be one of the island's farmers. Alternately animated and introspective, he speaks English slowly, cautiously, but becomes enthusiastic when showing a visitor around his grounds.

Still, there is a calculated quality to his casualness. Although he says he hates meeting people he does not know, he immediately throws an arm over the shoulders of a visiting stranger, punctuating his conversation with declarations of his sincerity and good will. One has the sense that this is a learned behaviour of sorts - the gestures of a lonely and self-preoccupied man who wants very much to be liked, a man who has worked with actors all his life and who is keenly aware of the masks we put on in public life.

Beneath the bluff exterior, in fact, lies a wealth of contradictions. Here is a self-professed agnostic who is deeply superstitious, a puritan who has married five times and carried on highly publicized liaisons with his leading ladies, a stickler for details - he has been known to send a telegram to change an appointment by 10 minutes - who spends hours at a time daydreaming.

"I am very much aware of my own double self," Bergman says. "The well-known one is very under control, everything is planned and very secure. The unknown one can be very unpleasant. I think this side is responsible for all the creative work - he is in touch with the child. He is not rational, he is impulsive and extremely emotional. Perhaps it is not even a 'he', but a 'she'."

Most of his films, Bergman has said, have grown "like a snowball" out of some small flake of experience or memory. He has found that film making has a therapeutic effect and, in many cases, has subjected a particular obsession to this process of analysis and catharsis.

*Fanny and Alexander* has helped him come to terms with the terrors and joys of his own childhood. For Bergman, that childhood remains

curiously palpable and accessible. It shaped his imagination, he says, and, for him, the past is always present. While he feared his stern, authoritarian father, a Lutheran minister, he clearly adored his mother.

Bergman's wife Ingrid - a pleasant, kind-faced woman who bears, Bergman acknowledges, a remarkable resemblance to his own mother, has helped him establish cordial relations with his eight children from previous marriages and liaisons, and every July the children and four grandchildren come to Fårö to celebrate the director's birthday.

## Berries and sour milk for lunch and Dallas at night

Bergman's daily schedule seems equally well ordered, if not a bit fanatical in its precision. He gets up every morning at eight and writes from 9am until noon. Lunch - which for the past 15 years or so has consisted of berries and sour milk - is followed by two more hours of work and a nap at 3pm. Before dinner, he takes a walk and after dinner watches television - he is especially fond of *Dallas* - or a movie from his large 16mm collection.

Even if *Fanny and Alexander* is his last feature film, Bergman hardly plans to abandon his hectic schedule. He will continue to work for television - the medium that originally produced *Scenes from a Marriage* and *Face to Face*.

Since the beginning, alongside his more public career in film, Bergman has maintained another one in the theatre. He will continue to stage operas and plays. He has adapted Molière's *School for Wives* for television, and plans to stage *King Lear* for Stockholm's Royal Dramatic Theatre.

It was during a rehearsal of Strindberg's *Dance of Death* there in 1976 that Bergman was arrested, in a highly publicized incident, for tax evasion. The charges were later dropped - the Swedish Government subsequently issued a formal apology - but the director exiled himself from Sweden and moved to Munich.

At the time, the experience caused Bergman enormous trauma, leading to a nervous breakdown. It not only seemed a fulfilment of all his worst fears of humiliation, but it also meant leaving the country he loved, although he did visit Fårö from time to time.

Although he had made a pleasant enough life for himself in Munich, Bergman desperately missed his home. One summer day in 1977, he remembered how the lilacs in his garden used to explode into blossom during that week in June. The same evening, he and his wife took a plane to Visby, then drove a car back to their house on Fårö. "The night was clear," he recalls. "And there was no darkness, and we got here at midnight and were sitting outside the old house, looking and smelling the flowers. The next day we went back to Munich. That in a way is very strange, but somehow very Swedish."

For Bergman, even spending part of his time away from Sweden was a dramatic gesture. He gradually spent more and more time on Fårö, and is spending his entire summers again on the island. After fulfilling some theatre commitments in Munich, he says he will return to Sweden for good. "For a long time, I didn't want to come home," he says. "But now in a few years I think I will return. I think it's time for Ingmar to go home."

©New York Times Service

moreover...  
Miles Kington

## A vintage year for tennis

"In my experience," said my friend Barlow. "BBC commentators don't know what they're talking about."

We were watching Wimbledon at the time. Some over-trained athlete had just kept in the air, blonde hair quivering, and batted the ball down across the net so fast that no line judge had had time to fault it. "A backhand slam, probably the most difficult shot in tennis," said the purring BBC-2 voice. Then Barlow had made his remark. Then we begged him to elucidate.

"The most difficult shot in tennis," said Barlow, "is the underarm right-hand volley between the legs, undertaken while you are holding a wine list in the left hand and endeavouring to select a vintage."

"The last and indeed the only time I played this shot was in 1963 at Cannes, at a little restaurant called Jojo's, which only had about six tables but which oddly had its own tennis court. I was in the mixed doubles. It was not an ordinary mixed doubles, as I was playing with another man against two English girls."

A bit unfair, we commented. "It certainly was," reminisced Barlow. "We were 1-6, 3-6, 3-5 down in the third set. At that moment the waiter came out to say that our table was ready, and asked me to select a wine. No sooner had I taken the wine list than the ball came flying at me, my partner yelled 'Yours!' and I executed the shot I have already described."

With what results? we enquired. "Good and bad. Good, in that it was a winner, the tide of the game turned and we won in five sets. Bad, in that the wine I chose turned out to be a very ordinary Fleurie and the chief had gone home before we started eating."

Any further questions were superseded by a commotion from the TV. One player had landed a ball near the line, and the other had told the umpire that if he did not change his decision, he would disembowel him. "This is a call that will be talked about for a many a long year," said the BBC-2 robot.

"In my experience," said Barlow, "one line call is ever talked about for more than five minutes afterwards. The only exception I know to that was a line call which was made in the Nairobi Open in 1959 and I still furiously discussed in parts of Kenya."

We begged him to tell us more. "One of the finalists was Simon Edgeworth, an absolute cad but a fine player. His opponent was some health fitness fanatic doctor from Scotland. Well, the Scot hit a deep shot down the line to him in the final set which Simon couldn't reach, so he calmly took hold of the line - we used real lines, not chalk - and pulled it towards him, so the ball went out, not in."

Was this not against the rules? "Oddly, no. When the rules had been made, they hadn't bargained for people like Simon. He got the point, later the match, and later still the Scots' doctor's wife. Kenya was a bit like that, you know. Finally, the doctor strangled Simon one night. With the same line, curiously enough. That's why they still talk about it."

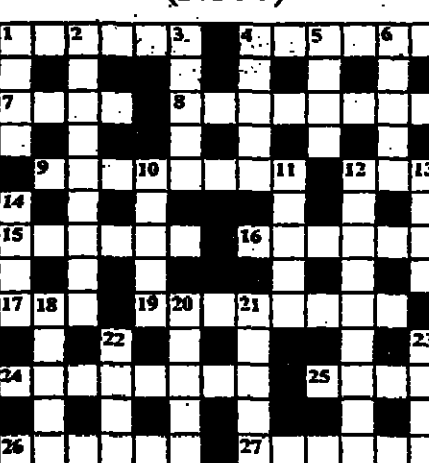
"My goodness!" interrupted BBC-2. "Has anyone ever seen two chaps throw themselves about on a tennis court like this pair? There were obligatory shots of two men lying prone on the turf."

"I have, as a matter of fact," said Barlow. "Did I ever tell you of the time I was involved in the All-Jersey Championships, in 1968? There were two chaps against us in the doubles who chased for everything, as if possessed. Finally they both made a dash for one angled slam going way out of court, and crashed into the bushes. Not knowing the local geography, they did not realize it was a cliff-top court and both tragically fell 300 feet. But, and this was the extraordinary thing, one of them managed to hit the ball in mid-air."

With what result? we asked breathless. "The ball came back on our side and proved a winner. It had been match point to them so of course they won. It is the only tennis title that has ever been won posthumously."

We looked at each other silently. Then we leapt on Barlow and tied and gagged him so we could watch the TV more comfortably.

## CONCISE CROSSWORD (No 97)



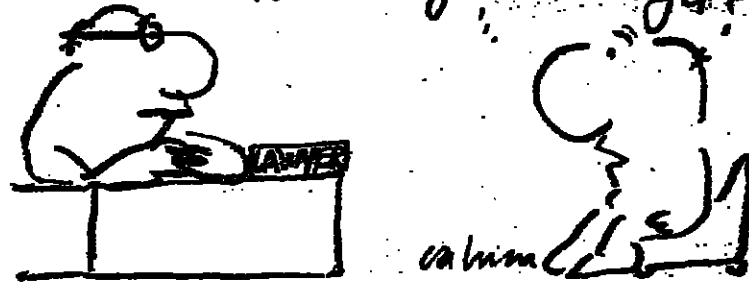
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  - 19 Nervous disorder (8)
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  - 21 Tropical waterlily (5)
  - 22 Mass sport (4)
  - 23 Sheet of glass (4)

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## Legal aid Part 3: Frances Gibb reports on radical and controversial reforms

### Justice, but at what price?

Can I get LEGAL AID  
To sue my last lawyer?



Radical reforms are now being made by the Government in an effort to curb and control the escalating costs of civil and criminal legal aid and remove some of the system's anomalies. On the criminal side the Legal Aid Act was passed last year, providing for a number of important changes, details of which are being hammered out. Among them is the "right of review" of a refusal of legal aid, the absence of which has been called a blot on the legal aid scheme; the only national social service without such a right.

That, it is hoped, will counteract the disparities between courts in granting aid. Justices' clerks are to be given the power to refuse aid as well as grant it. An appeal against their decision can then be made to a panel of lawyers, the local legal aid committee.

Second, and more controversial, the act will change the way defendants pay contributions and the amounts they pay, increasing the amount of people paying towards their criminal costs from 7 per cent to anything up to 15 per cent and doubling from £2m to £4m the income derived from them.

In place of the court's discretion there will be new scales of contribution. A stricter means test will apply, like that in civil legal aid, with the spouses' income jointly assessed. The will be no upper limit however. The Government estimates that a defendant earning £92 a week, without savings, may have to pay £5 a week, while a married man with two children on £156 could pay £3.

But the scheme has been fiercely attacked by some lawyers, notably the Legal Action Group, which says it will defend defence from seeking legal representation and mean wives paying for husbands accused of crime out of their earnings, savings and child benefit allowances.

The Government is also to tackle what one MP called the "massive haemorrhage" on criminal legal aid: the huge costs in cases, such as large-scale fraud, where defendants can afford to pay. It is proposing that

courts employ a special examiner in such cases to make a detailed scrutiny of a defendant's finances.

But none of these reforms reaches the heart of the problem too many cases going to the crown courts. There is wide support for bringing in section 48 of the Criminal Law Act 1977, which would oblige the prosecution to disclose its case to the defence before trial at magistrates' courts, as at crown courts. Many defendants, it is believed, would then not press for jury trial. The police have been accused of digging in their heels over this unimplemented measure as being too-consuming. But Mr Tony Judge, of the Police Federation, says most would welcome it. "No less than £25m (more than one third) of criminal legal aid was spent in 1981 on defendants electing crown court trial and then changing pleas," he says.

On the civil front, the need for all legal aid applications to go to the Department of Health and Social Security for means testing is being reviewed. There is also support from the Legal Aid Advisory Committee and the Law Society for "conciliation" procedures to be made an integral part of early proceedings, so that more issues are settled out of court, thus cutting the matrimonial legal aid bill.

But it is over payments to lawyers

crown courts, in place of the discretion of taxing officers which has resulted in wide variations in bills.

The more radical changes for the Bar, brought in, despite opposition, involve for the first time "standard fees" for certain types of work: commitments, appeals against sentence and against conviction, only to be exceeded in exceptional circumstances and up to maximum prescribed levels.

The Bar fears that this is only the tip of the iceberg appear well-founded. Officials in the Lord Chancellor's Department say that so far, there have only been "preliminary skirmishes". Negotiations are now to get properly under way so that they can look at standard fees, or hourly rates, for work in jury trials. The Bar is strongly opposed to this, arguing it would alter its fundamental nature as independent practitioners doing piece-work. Officials also want details of the rationale for a barrister's pay, such as his overheads and time spent on a case.

All this is a far cry from the lawyers' own remedy for control, Mr David Edwards, in charge of the running of civil legal aid, says it is no use looking at legal aid alone as it is an appendage of the legal system. He and others argue that delays in reform of the system, lack of control and waste all stem from the present split responsibility of the legal system between the Home Office (criminal procedure and magistrates' courts) and the Lord Chancellor's Department (all other courts). The latter "pays the piper but does not call the tune," he says.

There is now growing support for the legal system to come under one department, namely that of the Lord Chancellor. Constitutionally, Mr Edwards says, it is wrong for Home Office, which is in charge of the police, who prosecute, also to have control of the courts. The Government has just refused to alter the structure "without consultation or reasons," he says. "But we are determined to reopen the issue."

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## WEDNESDAY PAGE

## TALKBACK

For the first and, I hope, the last time, I write an anonymous letter: I am too poverty stricken and unemployed to run the risk of identification and seeking.

Oh Penny Perick, please send reprints of your witty and oh so true article in *The Times*, and that on middle-aged unqualified "awful warnings" to all girl's schools, kindergartens and indeed infant play groups.

It is the gates of secretarial "colleges" rather than those of the Inferno which should bear, in a design of sharp iron spikes, "abandon hope all ye who enter here". Few tortures can rival those of a woman forced, for lack of a profession, to earn a living as a "personal assistant" (clerical domestic servant/nanny) and the agony is sharper if she has developed tastes above her station such as opera, good food and drinkable wine; it is so terribly embarrassing for her principal and his clients if they all find themselves listening

/dining in the same establishment.

The wretched creature is expected to possess the qualities of a chameleon, at one moment with a shame transcribing the injuries inflicted on the language by her principal (if she amends them, she is impatient/or argumentative - if she doesn't, she is uneducated; he is above such things); two minutes later, she must listen with a sweet smile to the praise and appreciation poured out by clients on her principal for her research, her thinking, her assembly and presentation, produced over his name.

The mildest of the daily aggravations to which she is subjected can - and do - include working unpaid overtime at eight o'clock at night when it doesn't occur (or does it?) to principal and clients stupefying themselves with gin and she might just like a glass of whisky, always enquiring with tender concern about that incipient headache or worse, threatened cold in the nose even when she is crippled with a go of the menopausal curse (never

must she hope for, let alone expect, any reciprocal consideration): I get £10,000 a year and, dear God, I earn it.

From Joan Moncrieff and Doreen Sharp, Broadstairs, Kent. We read, more in sorrow than in anger, Penny Perick's article (Friday Page, June 24) headed "Buried Treasure in the Office" and referring, inter alia, to the recently published Papermac *The PA's Handbook*. She misses the boat by so many sea-miles that we feel compelled, as the authors, to row out to the rescue. Did she really read the book she was discussing, we wonder? Her interpretation of our intentions could hardly have been wider of the mark.

She assumes (and we hope only for the purpose of her article) that we view an efficient PA as being content to be trapped as a kind of doghouse, permanently and without hope, in the employ of an "unattractive boss", a "supercilious head honcho". On the contrary, and as the foreword to the book clearly implies, a good PA works for a good boss because they make a good working team, depending on and trusting each other. The point so widely missed in the article is that they are a team, with shared responsibilities and mutual trust and dependence. No good PA would put up with one of Penny Perick's (two suspect entirely - fictitious) monsters, even if they existed, which we doubt. She could

If a PA is not given time to deal with correspondence, as Calman's cartoon so deliciously suggests, there may well be an assistant secretary to help - the kind of person (and there are many of them) who can take over confidently when the boss is away.

We hope this will do something to correct the shallow and superficial image portrayed in the article, which so belittles the status of secretary/PAs. Treasure - yes, of course, and probably properly aware of it. Doorman, never.

From Barbara Smith, European Association of Professional Secretaries, London.

So Penny Perick was surprised to find that some people actually want to be secretaries. Has she failed to appreciate the appeal of working alongside some of the most powerful decision-makers in the business world, or understand the degree

of responsibility which rests on the PA's shoulders?

However, I can sympathize with Penny Perick's views because I am surprised that some people want to be journalists, and I do sometimes wonder what the reporters do when their interviewees have gone away to their film

premises and ritz restaurants. Are they to be found pounding away at the typewriter rushing to catch a copy deadline? Or are they at home eating baked beans and doing the ironing?

## Root causes

From Andrew Wilks, DM, DPM, MRCPsych, London.

The tone and content of Veronica Stokes account of her daughter's problems (Coping with death wish, Wednesday Page 29) must seem familiar to any psychiatrist who has ever dealt with parents of an anorexic girl. Mrs Stokes appears to advocate the very

parental and psychiatric attitudes that lie at the roots of anorexia nervosa. The attitudes of anxious and oppressive control which culminate with a young girl's reluctance to

ascertain herself and grow up. As regards the prevention of suicide in general, it is sadly the fact that despite a variety of psychiatric interventions practised over the recent decades, the rate of suicides has not changed significantly and is now actually rising. The rate of attempted suicides has increased manifold. Compulsory detention in psychiatric hospitals is not, in the long run, the effective way of helping those who wish to kill themselves.

From Anita Pincus, University of London Institute of Education.

I sympathize deeply, ever so deeply, with the mother of the suicidal depressed girl who was allowed to discharge herself from hospital. But I think she is

only partly right in her judgment that the problem arose from our attitudes to individual liberty. Was it not also a case of our very widespread mistaken attitudes to mental illness? And was not the mother herself, sadly, also duped by those attitudes?

Consider, for instance, if the daughter had had a very serious physical illness, had had an operation say, and was hovering between life and death - would not the mother have been by her bedside? Would not the members of the family set up a rota taking turns at keeping a vigil? And the same can be asked of the hospital staff. Would they not also have kept constant watch on such a patient? Would they have allowed a patient in physical danger of dying outside hospital to discharge herself? And if the rules forced them to, would they in that case not have warned someone? I think it is clear that all of us must learn to regard mental illness in the same serious way as we approach physical illness.

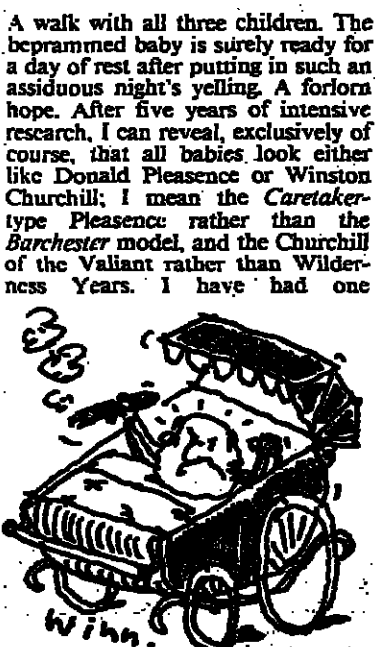
## ALAN FRANKS' DIARY

## Too stringy for the cannon balls?

Now that Mr Heaseman from Number 27 has been taken off to Africa to be eaten by cannon balls (sic), there is for the moment an absence of suitable parties on to whom my children can append their disturbing fantasies. If I am to believe my four-year-old daughter (and she says I must) poor Mr Heaseman, who thought he had a bargain with his Breakaway ticket to Ventnor, is even now simmering nicely in - and I quote - "a big kettle in Switzerland". Personally, I am surprised the cannon balls are interested in Mr Heaseman; he looks - I suppose I ought to say looked - like one of those Falham Puppets of yore, a jangle of string and bone, whiny night clatter to the ground at any moment. Hardly, I would have thought, an embellishment to the stock pots of the Dark Continent, but there you are.



A walk with all three children. The beppanamed baby is surely ready for a day of rest after putting in such an assiduous night's yelling. A forlorn hope. After five years of intensive research, I can reveal, exclusively of course, that all babies look either like Donald Pleasence or Winston Churchill; I mean the Caretaker-type Pleasence rather than the Barchester model, and the Churchill of the Valiant rather than Wilderness Years. I have had one



pleasence and two Churchills; and recovered the former. They may be sinister, but at least they are quiet, while the other sort have no scruples about bawling you out in public. Churchills are no doubt better for the country - if worse for the family - and for all I know have enjoyed a resurgence since the Falklands campaign. This particular

baby has got the stentorian from Number 27, and is about to prove it yet again. They say Winston never needed much sleep, but this is ridiculous. The massy jowl is quivering on the pillow and he might at any moment rise up and say something horrid about Adee.

Same company today, only a different itinerary, which takes us past the old workhouse by the park wall. It has been turned into a hostel for poly students, but it still chills like charity with its little cupola and regimented windows. Coming towards us is the man known locally as Graderind because of his resemblance to the character in *Hard Times* and because of his habit of giving finger-stabbing street corner lectures on Victorian values to waifs such as mine. He always looks incandescent with rage. One day I shall muster the courage to beard him on Pesthouse Common and tell him my children are being well flogged at Mr Creakle's and that the diet promises to make them bowed and rickety enough to enter a career in the chimneys of the gentry at an early date; only he would probably beam back in approval. Right now he looks as if he is about to quit my three-year-old son on the dental complement of graminivorous quail-rumps, but then catches sight of the face in the pram and passes on in terror. Another victory for Young Winston.

A change of plan; Play School has lost its lure. Instead, my daughter will live with "that nice white-haired old man" on TV. On closer questioning this turns out to be Michael Foot. I always thought he lived in Hampstead; but no - he occupies The White House, near Twickenham Bridge, and is the resident of America. I point out that by the time she attains her majority Mr Foot will be 83, but she gives me a look that speaks volumes about the older man. Where have I gone wrong, and what will Jill Craigie make of it? Must I brace myself for an octogenarian son-in-law?



I had resolved not to mention Petranello and her family after that frightful fire in the unheated roof of the house, open to the sky, like a spent firework, and it is plain that the catastrophe has taken its toll domestically. The Volvo estate is reversing out into the road, Mr Petranello at the wheel. Two little objects have been carefully placed about five feet apart in the drive so that the back wheels of the car must go over them. But what are they? Oh goodness, the Suzuki violins. Here it comes. Crunch, crunch, and the tiny Amai lookalikes have quavered their lust. There will be blood on the walls. Watch this space.

## Shirley Lowe talks to Ruth Harris, American author and self-made woman

When you are invited to interview Ruth Harris, the American novelist, her publicity people don't leave anything to chance. They send you a printed sheet containing Mrs Harris's views on all the fashionable women's subjects you could possibly wish to discuss with her, plus the ones you might forget.

Normally, you'd chuck this away, since a nugget of fact or character or scandal mined from a hard-worked interview is worth a dozen hand-outs. But not in this case. After reading Ruth Harris on women and money (precis: "Why don't women feel easy with money, earning it, using it, investing it? It seems to me that while sex has come out of the closet, money is still considered dirty, not nice to talk about...") on having it all (precis: "For the last few years we've had gurus telling us to look out for number one, to lie, connive and walk all over everyone else to get ours. It's offensive because total selfishness is repugnant and it's lousy advice because you make a lot of enemies. Who wants to end up alone at the top? The me-first guru could use a dose of self-confidence and generosity all of which nice people already have) on role models (precis: "I personally would like role models to be related to Mary Wells, Chairman of Wells Rich Greene Inc. isn't it? The so-called role models media shove at us are really like movie stars. I know damn well I'm dead if I try to look like Sophia Loren. If I try to look like Ruth Harris on a good day, then I have a chance...") and on money, much more, I felt as though Mrs Harris had personally passed me the tablets and I'd agreed with every one.

She looked like Ruth Harris on a good day when I met her at the Ritz in Piccadilly with her husband, Michael (he is a publicist and writes books, too) wearing a bright red dress and the happy expression of someone about to indulge two passions. She adores travel and clothes and she is about to go to Plymouth, Manchester, Liverpool and the Greek Islands, in that order,

and plans to buy one or two Jean Muir's and Zandra Rhodes's on the way. She turns out to be a rarity. A New York career woman who talks and writes about feminist issues with wit and without anger or angst. "My mother always worried, so a working woman just seemed natural to me," she says. "She was the oldest child of six in a poor family and she took herself off to nursing school in the Twenties, when women didn't do that kind of thing, and she ended up Supervisor of Nurses at a big, metropolitan hospital. She always said: 'Get married, by all means, but do something, be somebody yourself and she said it in a very unangry way. I was brought up with two brothers so I like men. I think they're terrific, and whatever my problems are - like I don't write as well as I think I should, for instance - I don't blame men for them. In the Fifties, when all my friends were comparing engagement rings, I wasn't interested in marriage. I was thinking: 'What do I want to do?'"

She went to college and then worked as copywriter and editor in a publishing house. "I was the first

person to read Betty Friedan's *The Feminine Mystique* and it was so true, so right, I said: 'We've got to kill to get this book.'"

She chose not to have children. "It's interesting, isn't it, that women hold out for themselves such unrealistic standards and expectations? To get you have to give and often give up. I've never regretted the decision and I don't see what's so terrible about having to make it. After all, men have been doing it for years."

Ruth and Michael Harris live in an apartment on 71st Street, Manhattan, with a bedroom, a living room and his and her studies. "We used to have a weekend place in the country, but I couldn't keep track of two refrigerators." They are happy because they share the same interests in travel and food and friends and movies and off-off-Broadway shows and just wandering around New York looking at life. An American magazine once ran a feature on them called *The Twenty Four Hour Marriage*. "We were photographed working together, going to the gym together, having

our hair done together, eating together and going out to the movies together," Michael says. "The result, of course, was that everyone hated us, it all seemed so saccharine sweet." And Ruth says: "I just hope nobody tried actually doing it, that's all." In fact, they keep office hours, meeting occasionally for lunch and when Ruth gets into the tense, middle draft stage of a novel she works 18 hours a day, seven days a week and because Michael is also a writer he understands this heavy typewriter duty.

Her books sell over a million copies a time in the States and she is often compared to Susan or Robbins. Wrongly, since they deal with fantasy and a Ruth Harris novel is firmly based on fact. "I am absolutely fascinated by other people, by their lives, what happens to them and why," she says. "I am prepared to listen to anybody's life story and consider myself the ideal person to sit next to on a long plane journey."

Her latest novel, *A Self-Made Woman*, is the result of an old friend calling her up, in tears, and saying:

"Julie's getting married and I don't know what to do. She's only 22 and I keep telling her that she must get more established in her career before she even thinks of marriage. But you know how kids are, they don't listen." Ruth says: "When she's stopped crying, I said to her: 'Does it occur to you that we've come 180 degrees from when we were Julie's age and a mother was more likely to weep over a daughter who hadn't married and settled down by the time she was 22?'"

In America, lifestyles are packaged and sold like toothpaste and my friend and her daughter, have both been seduced by the myths of their generations. The mother defined herself as one man's daughter, another man's wife and somebody else's mother. Her heroines were the ladylike Grace Kelly or the girl-next-door Doris Day, her thinking was shaped by home-making magazines, by romantic fiction, she was left adrift in a man's world without benefit of map or compass. The daughter came of age in the generation of women, her heroines were Gloria Steinem and Jane Fonda, she read *Ms* and *Savvy*; she lived with her boyfriend for years before she married him and she took it for granted she could and would have it all marriage, career, children, success, love and work."

The book tells how both women realize they've been sold a lie and learn the truth about themselves, become self-made. Ruth Harris is wary of her title: "It's a gradual process that happens over the years". She is, however, willing to pass on a couple of tips that help the process along. "Look at what you do well and think how you can expand it and do more of it. It may mean thinking back to the subject in which you were successful at school, or the thing everyone always compliments you on. My heroine, for instance, was a good cook and she eventually made a career as caterer. The other helpful idea is to look at something about yourself you don't like and change it. If you're habitually late, try arriving on time and if you've been complaining about an extra 10lbs, lose it."

Ruth Harris has cleverly dissected two generations of women in her books, so how does she see the new woman shaping up, the class of '87 or so? She hears, she says, worrying rumours from the suburbs that girls spend all their time talking about love and boys and rings. "But I don't know. Really, I'm not a prophet. I have a hard enough time being a novelist." A Self-Made Woman. Ruth Harris. New English Library. £7.95

## Taxing times for married women

## FIRST PERSON

I recently received a missive from the tax man. If you are a married woman, it said, please reply as if you were your husband. I asked the Inland Revenue for enlightenment. "Well," explained an embarrassed official, anticipating feminist wrath, "husbands are still legally responsible for their wives' tax affairs. Two or three years ago we would have asked you to give him the form to fill in. Now we let you answer questions on his behalf. That's progress."

I like the tale I heard recently about the widow who received the same Inland Revenue form. She replied: "I am dead."

My battles with the tax system have cost me dear. For years my husband begged the taxman to let me handle my own affairs instead of pestering him. When the Inland Revenue finally sent a massive demand plus a letter accusing him of fraud and everything else short of high treason, I finally caved in, paying a large penalty along with the tax.

Letting wives be responsible for themselves and taxed as single people might seem simple. But in the two and a half years since the Government published a report on the topic the arguments have raged back and forth like a baseliner rally.

What should be done about the married man's allowance? Is it an outdated state subsidy to the non-earning wife? Why should the working couple claim both it and the wife's own allowance, too? Should it be replaced by higher child benefits? Should the non-earning (I did not

say non-working) wife be able to transfer her own allowance to her husband?

No two women, it seems can agree on the subject, which is probably why we have had such a doty and demeaning tax system for so long. Even God has his corner to fight. I received a letter from a vicar reproaching me for suggesting that husbands and wives should be treated like single people for tax purposes. It undermined the spirit of Christian marriage.

What undermined it rather more, I suggested, was the present practice of taxing married couples jointly on their investment income, which resulted in much higher rates of tax. Was he aware that accountants advise their well-heeled clients to divorce?

It is really not surprising that Sir Geoffrey Howe, in whose in-tray the matter has lain all this time, has legged it from the Exchequer to the

Foreign Office at the first decent opportunity. But clearly married women must keep a beady eye on the politicians. The new chancellor has already been advised by Mr Ronald Butt, in last week's *Sunday Times*, that his first tax priority is to change the tax system so married women are encouraged to stay at home to look after their families. Not that tax appears to have anything to do with the deplorable desire of married women to work. If it did, all the husbands would be lounging around at home sending their wives off in the morning for one of the cuter little tax anomalies is that the working wife supporting her husband gets more tax allowances than the working husband supporting his wife.

The tax system is full of sexist variations, mostly operating against women. A husband can employ his hamfisted spouse for "secretarial

services" - one of the better tax dodges. But a wife might have trouble persuading the Inland Revenue that her househusband was doing the typing.

The real problem is that we regard domestic labour as something that comes, or is given, free.

Househusbands who would probably faint at the thought of the Wages for Housework campaign wrote to the *Financial Times* recently suggesting that employers should pay their employees' wives part of their husbands' salaries, recognizing that the poor chaps could not function without housewifely support. Us married women would then, of course, stop being goods and chattels and become zero-rated VAT taxers instead. That's progress.

Maggie Drummond

## Rich for the rich

The livers of specially fattened geese and ducks have long been a delicacy prized by connoisseurs for their fine taste and texture. The rich, but undiscriminating, are keen on *foie gras* too, if only on the status-exalting attributes of anything which costs quite that much. Two pounds an ounce or more is sure to win respect.

Oh, to be rich, discriminating, and slender as well. Or would that be too unbearably smooth? Perhaps it is just as well that trading regulations ensure that the chances of meeting fresh *foie gras* outside France are minimal, and that we are thus denied amazing dainties like slivers of hot, fat

goose liver with mushrooms on toast. Preserved *foie gras* is sold in strictly controlled grades. If the tin or pot carries the words *au naturel* it should contain nothing more than cooked liver and seasoning. *Bloc* is the next grade and contains extra fat or a little mouse or wheels of the car must go over them. But what are they? Oh goodness, the Suzuki violins. Here it comes. Crunch, crunch, and the tiny Amai lookalikes have quavered their lust. There will be blood on the walls. Watch this space.

Nothing the most skilled cook can do will turn the livers of conventionally reared geese or ducks into *foie gras*. They are simply too lean and too dense to be rendered as meltingly smooth as the real thing. But when it comes to those mousses, parfaits, and the like, even a carton of frozen chicken livers can be groomed to take its place in high society. These recipes are better still

made with ordinary fresh duck or goose liver and can, of course, be based on a mixture of one or more types. The parfait is a very rich, very smooth, and so light in texture it is difficult to slice. It is best served in tiny ramekins, or pots, or scooped from a larger dish. The mousse will cut into immaculate slices (use a wet knife) and can be served with toasted bread or brioche and garnished with a few leaves of dressed salad.

Chicken liver parfait. Serves six to eight. 225 g (8 oz) chicken livers Salt and freshly ground black pepper. 110 g (4 oz) butter 1½ tablespoons cognac 1½ tablespoons dry sherry 120 ml (4 fl oz) double cream, chilled

## THE TIMES COOK



Shona Crawford Poole

Thoroughly clean the chicken livers, removing every trace of green staining from the gall bladders which would make the dish bitter, and all stringy bits.

Season the livers generously with salt and pepper. Melt the butter in a heavy pot and sauté the livers. Cook them, uncovered, at the gentlest of simmers for 10 to 15 minutes, so that the livers are cooked through but not toughened. Remove the pan from the heat and set it aside until cool. Then chop or process the livers with the butter and work the mixture through a fine sieve.

Beat in the cognac and sherry and set the bowl on crushed ice in a larger bowl. Whip the cream until it holds soft peaks, then, working over the ice, beat it into the liver mixture, a spoonful at a time. Check the seasoning and divide the parfait between small individual serving dishes, or spoon it into one larger dish. Cover and chill until needed. Serve with crusty bread or toast.

Blond chicken liver mousse. Serves eight to ten. 225 g (8 oz) chicken livers 2 large eggs 1 tablespoon salt 1 teaspoon freshly ground black pepper 1 small clove garlic, crushed 300 ml (½ pint) double cream

Thoroughly clean the livers, removing any bitter-tasting green patches, and reduce them to a purée by chopping them in a blender or food processor. Beat in all the remaining ingredients and sieve the mixture which will be like a thin custard. Pour it into a lightly oiled rectangular dish or tin of about 750 ml (½ pint) capacity. A small non-stick loaf tin is ideal. Set the tin in a larger tin or dish. Pour in boiling water to

come about two thirds of the way up the sides of the mousse tin and cook it, uncovered, in a preheated very cool oven (110°C/225°F, gas mark ½) for 2½ hours. Allow it to cool completely, then run a knife round the edge of the mousse before turning it out of the tin. Wrap closely in clingfilm plastic film and refrigerate.

I would rather see a slice of mousse on a bare plate than decorated with the obligatory lettuce leaf with, worse still, a slice of inappropriate tomato. What does go well with it, and looks really pretty into the bargain, is a tiny salad of lettuce and red or green chervil with slivers of peeled apple and toasted hazel nut. Before being tossed in light dressing of hazel and peanut oil mixed with a little fresh orange and lemon juice.

## Tomorrow:



The Times Profile: Sir Steven Runciman, the man who read tarot cards for a king and played the piano with an ex-emperor



# THE TIMES DIARY

## Rearguard action

The Labour Party hopes to have four or five GLC by-elections this autumn which it will use to embarrass the Government over plans for the GLC's abolition. Among those who may stand down are the two GLC members recently elected to Parliament: Labour's Tony Banks, and the Conservative, Marion Roe. There is no formal rule about GLC members who are also MPs, but hitherto parliamentary duties have taken precedence. The Strongbridge Housing Association scandal may produce further electoral casualties. Geoffrey Seaton, Conservative member for Surbiton, has already resigned after criticism of his role. Two other Conservatives, Harold Mojt and Peter Black, have resigned their party whip and are under pressure from colleagues to leave the council. Labour would relish the by-election opportunities, though the four Conservatives all represent safe seats.

## Time exposure

In the political turmoil at the Royal College of Art some irony attends the presentation to be made this Friday of an honorary doctorate to the veteran Hungarian art photographer André Kertész. Four years ago eyebrows were raised at the absence of the professor of photography, John Hedgecoe, when Kertész addressed the RCA photography students. Observers of the current jostling for position at the college who recall this snub note that Kertész's doctorate has been proposed by the pro-rector, current number two in the hierarchy, John Hedgecoe. At the same ceremony James Mitchell, chairman of Mitchell Beazley, will be made an honorary fellow. Mitchell Beazley publish John Hedgecoe's best-selling books on practical photography.

## Witting his pits

Arthur Scargill has been misquoted, he would say not for the first time. Yesterday's papers had him vowing that he would not accept the destruction of the coal industry or see services decimated. But what I heard him say on *News at Ten*, not once but twice, was "decimated" but "demi-sated." To every good unionist, I am sure, demi-satiation is quite unacceptable.

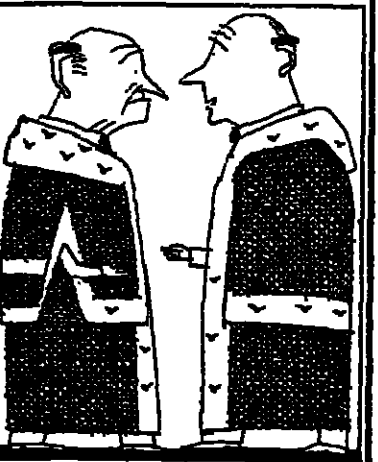
## Relief at last

It is comforting to hear that Dennis Buisson, one of two British birdwatchers arrested in Turkey for taking photographs in a military zone, will stand trial today without the pills urgently needed to control his gout. He was arrested five weeks ago. His wife arranged to have the pills forwarded by the Foreign Office and she sent them a month ago. The pills were still there yesterday. The Foreign Office has apologized, and promises they will now leave today.

## Push hour

The Tokyo pushers, who shove commuters into rush-hour trains, have lost. Though official figures show that on the joban rapid service, for example, the average load factor in each train is 274 per cent, the pushers cannot squeeze any more in. Happily Japan National Railways is cutting its freight train service in and around Tokyo. So now commuters will be put on to the freight network.

BARRY FANTONI



Hello - I'm Lord Nobody. Who are you?

## Off we go again

Sieve Hawthorn of Billericay, whose appetite for political anagrams was not sated by my preselection series, has been toying with the candidates for the Labour Party succession. Eric Heffer, he says, may prove a Freer Chief than his line on conference decisions has so far suggested. Peter Shore would normally oppose hanging, but in the case of his rivals might provide Three Ropes. Neil Kinnock, bidding for moderate support, could claim: "I Knock Lenin." And Roy Hattersley, who is unlikely to win or to lose with good grace, will be hailed: "Hey, ratty loser."

Fatherhood being a growth industry, it was high time for a plain pater's guide to primogeniture, procreation, peripatetic and the rest. Welcome then to *You're a Father*, a man's guide to what it calls New Parenthood. It is, appropriately, the first-born book of Pagoda publishing house, and the title might well be aimed at one of the directors, David Alexander, who has seven children. A PHS scanner and three-time veteran of the delivery ward theatre thinks it makes a pleasant change from Gordon Bourn's doomy paragraphs, but wishes to record his own instance of symptom transference during pregnancy: he got drunk and his wife had the hangover.

After the impressive results of January and February, when Soviet industrial production rose by 6 per cent over the same period last year, the results for March, April and May, which showed an increase of only 2.9 per cent, must have been a serious disappointment to the Soviet leadership.

The January and February results, with growth rates roughly twice those of the closing years of the Brezhnev era, had led to speculation in the West that the new Soviet leadership's tough policy on labour discipline was having an effect. A modernized form of economic socialism had returned, and was proving successful. In the event, drawing far-reaching conclusions from a few months' results has proved very risky. But it is clear that the Soviet leadership must consider the fate of the Andropov experiment as crucial to what it calls the world balance of forces between "real existing socialism" and capitalism.

Although the Soviet Union is a military superpower, economically its potential enemies produce five times more than the Warsaw Pact countries.

Soviet leaders fear that this gap will widen over the next decade. Soviet and East European growth rates have been slowing since the 1950s, when they were twice as high as in the industrialized West and Khrushchev's dream of overtaking the United States economically by 1972 seemed a real threat. Taking account of the fact that much of the investment in Warsaw Pact countries is ineffective, being investment for investment's sake, it can be

# The Andropov effect runs out of steam

As the Soviet leader's health again gives rise to speculation, Jacek Rostowski draws a parallel with the country's deteriorating economy

argued that the Soviet bloc has had close to zero growth for a number of years now.

So far Moscow has been saved from the consequences of its economic failure by the depression in the West. But being a good Marxist, Mr Andropov knows that capitalism runs in cycles and that what has gone down is likely to come up. No such rosy prospect faces the communist countries.

Moreover, a growth in the gap between East and West could have serious internal repercussions for the Soviet Union. It would undermine the idea of the communist countries' inevitable ultimate victory, and so cast doubt on the central doctrine of Soviet foreign policy: that all Soviet gains, once completed, are irreversible. Something urgently needs to be

done to improve the Soviet bloc's economic performance. Economists from the smaller East European countries generally believe in the need for reforms that would introduce more market elements into the centrally planned economies. They are divided, however, on whether this can be done without far-reaching democratization.

Some believe that the introduction of market forces is fully compatible with the maintenance of political dictatorship. State-owned firms would compete in domestic and international markets, trying to maximize profits - and their managers' bonuses. Discipline would be maintained by the secret police and, it is sometimes admitted in private, by fear of the unemployment that the reforms would bring. A Polish economist living in the

West has suggested that this would in effect be a socialist version of the system in Franco's Spain or present day South Korea.

Those who believe that economic decentralization would lead to a weakening of the ruling élites tend to be less optimistic about the likelihood of reforms. They argue that Poland and Hungary can be allowed to experiment with reforms, but that in the Soviet Union reform would threaten too many vested interests and could lead to instability. Any reform that would be economically significant would be politically unacceptable, and one that would be politically acceptable would be economically insignificant.

Given the choice between the danger of internal instability and the certainty of military inferiority vis à vis the West, the Soviet leaders would probably choose military inferiority. They lived with military inferiority in the 1950s and 1960s, and know that in the nuclear age it is unlikely to lead to actual attack by the other side.

The Soviet fear would rather be that increasing relative weakness may unleash powerful centrifugal forces within the Soviet Union. If, however, the new tougher approach to labour discipline were to bear fruit in higher growth rates, then the dilemma between internal reform and external weakness, both of which could lead to internal instability, could be avoided. That is the significance of the Andropov experiment.

The author is lecturer in economics at Kingston Polytechnic.

## The Times Portrait: the Aga Khan

# Workboy of the racing world



The Aga Khan: 450 horses in his racing stables, but he prefers to be known for his Third World development activities

Nairobi, Prince Karim attended Le Rosey School in Switzerland and took a degree in Islamic history at Harvard in 1959. He returned to live in Geneva, where the headquarters of many of his grandfather's Third World activities were based. The world activities were based on his pursuit of his Islamic faith (he was captain of the Iranian Olympic ski team). In 1976 he moved to France and now lives with his wife and three children in a house set in beautifully landscaped grounds at Gouvieux, about an hour's drive north of Paris, not far from the Chantilly racetrack.

His headquarters building in the grounds is staffed by a personal secretariat of 100 people of 18 different nationalities (only about a quarter are Islamic) who oversee and coordinate his activities. These include the Aga Khan Foundation, set up in 1967 as a non-profit making organization funding education, health, and rural development programmes, mainly in developing countries in Asia and Africa; Industrial Promotion Services (IPS), a group of private companies set up in 1963 to act as a catalyst to local development; the Aga Khan Awards Foundation, set up in 1978 to encourage exceptional achievements in arts and sciences in a Muslim context, with a triennial \$500,000 prize for architecture as its first award; and the Aga Khan University, the founding of which has been the highlight of the Aga Khan's year-long jubilee celebrations, which officially came to an end next Monday.

There are also the Aga Khan's two purely private ventures: his stables, reputedly the largest in the world, which at present comprise 450 horses; and the controversial Costa

Smeralda holiday development in Sardinia. After more than 10 years of wrangling, the Aga Khan has just got the go-ahead from the Sardinian authorities for a further 1,000 billion lire (£400m) project which is designed to quadruple the number of hotel beds to 60,000 over the next 20 years.

The Aga Khan is president and the original moving light of the consortium behind the Costa Smeralda development, which has been much criticized by local environmentalists for destroying an area of natural beauty and for catering only for the rich. The Aga Khan replies that his interest in providing carefully planned, high-quality development in the area was in large part prompted by a desire to save its beauty from the ravages of other ad-hoc tourist developments that have ruined other parts of Italy and the Mediterranean coast. The tourism projects that he is now carrying out in Third World countries under the auspices of IPS is based on much the same concept.

IPS has launched more than 100 enterprises, ranging from the manufacture of soap and women's lights to mining and financial projects which provide jobs for more than 10,000 people. Some are wholly owned by the Imam but others are joint ventures, either with private companies or with international agencies such as the World Bank. Although a private company, the aim of IPS is not short-term profit but rather to provide impetus for new development and jobs, with the intention that the venture should become self-sufficient in the long-term.

The ultra-modern 720-bed teaching hospital in Karachi, which will

receive its first intake of medical students this autumn, is the first facility of the Aga Khan University, granted its charter by President Zia earlier this year.

Many of the Imam's health and educational services, which now include more than 200 health centres and hospitals and some 300 schools, were set up by the present Aga Khan's grandfather, using the proceeds of the "weighings" of his golden, diamond, and platinum jubilees. On these occasions, the Imam community did indeed weigh their Imam in gold, diamonds and platinum respectively, but that practice stopped when Prince Karim became Aga Khan, and there is no intention of reviving it.

When at his headquarters at Gouvieux, the Aga Khan normally works a basic 11-hour day from 9 am until 8 pm, often eating in the canteen with his staff. But in crises, which are not infrequent, he may be working from 4 am straight through until 2 am the next morning. His yacht and his skiing are his only two real forms of relaxation, and even then he will spend part of the day working.

One of the most impressive features of the Imam's activities is the extraordinary willingness of *Isma'ilis*, many not at all well-off, to devote their time and their money to the welfare not just of other *Isma'ilis* but of the whole local community in which they usually form only a tiny minority. The Aga Khan services are open to all regardless of race or creed. In Kenya, for example, non-*Isma'ilis* account for 95 per cent of the bed occupancy in *Isma'ili*-funded hospitals and 70 per cent of the pupils in *Isma'ili* schools.

"I don't think any community, tribe or ethnic body is serving its interests in the developing world by becoming inward looking," the Aga Khan explains. "The sooner independent states are able to work together, to become nations and to think as nations, with people of diverse backgrounds, languages, and religious practices, the more likely those countries will become and the sounder the base for a democratic process. To create a sense of nationhood is one of my priority objectives."

There is little doubt about his organizational ability and business acumen, but what about his primary role as spiritual head of the *Isma'ili* community? He smiles. He knows that it is often hard for Christians to understand how private enterprise can be prompted by a desire to save its beauty from the ravages of other ad-hoc tourist developments that have ruined other parts of Italy and the Mediterranean coast. The tourism projects that he is now carrying out in Third World countries under the auspices of IPS is based on much the same concept.

He agreed that he did not talk much about spiritual matters to western audiences; more, perhaps, to Muslim audiences. But that did not mean that it was not a dominant force in all that he did. "My life would be meaningless without my faith," he insists. "But I am not sure that a religious leader should talk exclusively about matters of faith. Faith should be demonstrated through actions."

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Jock Bruce-Gardyne

# MPs' pay: an issue for the voters

Last week I suggested in these columns that if the Tory backbenchers selected Edward du Cann as leader of the 1922 Committee, this would preface a series of battles over MPs' wages in the months and years ahead.

Well, he was re-elected, and it now looks as though the first battle is days, rather than months or years away. We are told that the Cabinet is thinking in terms of a 4 per cent increase, whereas du Cann has spoken kindly of the Top Salaries Review Body's recommended 31 per cent.

The biggest rebel vote I ever organized from the backbenches was in 1980 on this very subject. Norman St John-Stevens as Leader of the Commons, had come up with a formula which, to my mind, smacked of indexation of our salaries to those in the Civil Service. I found this doubly objectionable, because I thought we needed to escape from the concept of comparability and because it implied that MPs should be insulated from the impact of inflation for which, in my book, we were primarily responsible.

We were voted down by the "payroll vote", but we mustered significant support, including that of Jim Callaghan. After the vote he told me he had never before envisaged going into a lobby organized by me.

This time *The Times* has come out in favour of the 31 per cent by instalments. I disagree with the idea, not because of the likely effect of such an example on pay-settlement levels in the coming pay negotiations - but because what is sauce for the goose should be sauce for the gander. Parliament, having exorcised the ghost of "comparability" for others, should be the last group to succumb to the proposition that it needs to catch up with the Joneses.

Nor can the argument from market forces be lightly dismissed, at any rate by a majority party which is committed to their rejuvenation. There really is no evidence for the proposition that the quality of Parliament is currently diminished by the inadequacy of financial reward. Nor do I see anything deleterious about private members being "forced to look for extra-parliamentary pay". On the contrary, it seems to me a good thing that they should be. The nation suffers from full-time legislators: they pass more laws than are good for us, and they have nothing to contribute from their working contacts with the world outside.

James Curran

# Why the police need policing

Sir Kenneth Newman, the Metropolitan Police Commissioner, whose attack on left-wing activists last week was criticized by *The Sunday Times* as "misjudged" and denounced by the Shadow Home Secretary, Roy Hattersley, as "wild political comments", is no stranger to political controversy.

Last year, he caused a storm by remarks he is alleged to have made about the Jamaican community in an interview with the *African Journal, Police Magazine*. In the Jamaicans, you have people who are constitutionally disorderly... it's simply in their makeup," it quoted him as saying. "They are constitutionally disposed to be anti-authority." Though Newman subsequently denied that he had ever made these remarks, his interviewer, Bruce Porter, is adamant that he did and that he took detailed notes at the time to prove it. Porter, a director of the journalism programme at Brooklyn College, New York, and a former urban editor of *Newsweek*, is respected as a journalistic-academic.

If wires were crossed on that occasion, as Sir Kenneth Newman now maintains, there is no dispute about what he said last week. What is open to exception, however, is not so much the spontaneous remarks that he made at the press conference which provoked such a public furore as the new doctrine of *lese-majeste* that he outlines in his annual report.

Newman makes a crucial distinction in this report between "debate" restricted to the objective merits of the proposals for change in the police force, which is acceptable, and what he calls, revealingly, "uneducated" criticism, which is not. Indeed, in his view, "uneducated" and "unfair" critics who encourage negative attitudes towards the police are "a destabilizing influence and a threat to public order", and should therefore be regarded as enemies of the people.

This line of argument has a depressingly familiar ring. The view that only "objective" criticism is permissible is the cornerstone of all authoritarian systems of control, whether they be on the left or the right, which suppress free speech in the name of the public good. It is the rationale for silencing "unscientific" criticism in China, just as it is invoked to silence "anti-social" opinion in Chile.

This logic also provides a convenient bolt-hole: negative attitudes are created by trouble-makers and require no further response except to deal with them. Nevertheless, the Commissioner would be well-advised to consider more carefully evidence of public dissatisfaction with some aspects of the police. A national poll by NOP in October 1981 found that almost one in four people said their confidence in the police had decreased in recent years. A subsequent opinion poll of Londoners conducted by the Opinion Research Centre in October 1982 revealed still more critical attitudes. A total of 87 per cent

thought the police were corrupt to some degree; 53 per cent said the average police officer was racially prejudiced and 50 per cent thought "the police pick on certain types unfairly". So large a number of people should not be dismissed as the dupes of ultra-left propaganda: they are responding to aspects of the police force which are a genuine ground for concern and which call for constructive reform.

The Metropolitan Police Force has become increasingly divorced from the local population it serves. From being organized around beat patrols by constables with close links with the local community, the Met has become a motorized and highly mobile organization with a professional, technological support system without real local roots. In order to offset this distancing of the police from London's local communities, the Met should be subject to the democratic control of both the GLC and the local London boroughs.

Effective democratic accountability would provide a spur to a vigorous rooting-out of any residual corruption in the police force. The remarkable *World in Action* programme last August, in which former chief constables of Dorset and Devon and Cornwall and a former inspector of constabulary all testified to the corruption in some parts of the London force, rather uncomfortably indicates that action against corruption has not been successfully concluded by the Countryman inquiry. A genuinely independent police ombudsman also needs to be established so that complaints against the police can be adequately dealt with.

Local authority control of the police would also help to improve the sometimes antagonistic relationship between the police and members of local ethnic communities. Though the causes of this antagonism are complex, the experience of living in Brixton for most of the last seven years convinces me that one contributory factor is the openly racist attitude of some policemen. (As one officer told the man living in the flat below ours, in full earshot of neighbours "white trash and black scum - that's all who live round here.") The Home Office should also belatedly accept the Scarman recommendation that racist behaviour be made an offence under the police discipline code.

Of course, many of London's policemen are humane, caring and conscientiously neutral upholders of the law. They belong to a force that is inspired by a genuine sense of public service. But at a time when the policeman's job is being made increasingly difficult by the tensions caused by rising unemployment, a close relationship between the police and the public becomes all the more essential for the maintenance of law and justice. The development of this partnership was not best served by Sir Kenneth Newman's inflammatory political intervention last week.

The author is editor of *New Socialist*.

# Sons and duffers

New words for old, by Philip Howard

brother receives his portion and leaves home. The feasting and the harlots were all rather decorous, not all that prodigal or indeed prodigal. But the big scene was the Return, with everyone's eyes turned piously up in devout rejoicing, and the elder brother nowhere in sight, presumably still out in the field, but about to be consumed with rage and envy. The Return is the thing that sticks in the mind about the Prodigal.

Here is a recent example of the confusion, from an article in *The Sunday Times* about Essential Cuban exhibition at the Tate. The piece opened with a paragraph about Douglas Cooper, the organizer of the exhibition. Cooper, we are told, born and brought up in England, has lived all the rest of his life in exile.

"Prodigal" was a favourite word with Shakespeare, but he knew the story better than we seem to. Remember how Shylock calls Antonio: "A bankrupt, a prodigal, who dare scarce show his head on the Rialto." Shakespeare had a curious trick of hyphenating "prodigal", transferring it from its appropriate noun to another, to which it did not properly belong, as in "a restless night", "the con-

demned cell", or Virgil's "the trumpet's Tuscany blare" instead of "the Tuscan trumpet's blare". For example, in *Timon* Flavius exclaims:

"How many prodigal bums have slaves and peasants."

This might be construed as It is not the bums but the slaves and peasants who have been prodigal. For another example, in *Love's Labour's Lost* Rosaline says: "How I would make him... spend his prodigal wits, in bootless rhymes..." It is Rosaline rather than his wits who is thought of as prodigal.

It is a useful and beautiful old word, with strong connotations of one of the most powerful parables in literature. It is odd how its meaning has started to wander in a way that we had better not describe as prodigal. I dare say that we had better be a little less prodigal in our use of it, or we shall turn it into a worn-out word, and lose its original meaning.





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## SCIENCE BASED SOCIETY

Scientific research and technological development are activities specific to the mixed economy. They form a context in which generalized debate about public versus private is at its most illuminating. If state agencies took over the whole responsibility the effort would inevitably lack applicability and profitability at the product end of the spectrum. If research were "privatized" wholesale most basic scientific research and much highly generalized applied science would cease to be done. It is too expensive and its utility is too remote or uncertain for it to be justifiable expenditure in a corporation geared to profit. Yet if product research is to maintain its fertility it has to be fed from research in basic science and generic technologies.

The state and private enterprise are very much in this thing together. The latest full set of figures is for 1978 (amazingly). Of the £3,500 million then spent on research and development the government provided about half. Three quarters of that half, nearly one third of the total, was directed to defence. The value of the spin-off from defence to civil industry is much argued over. It may be noted that our three most formidable competitors among the industrialized nations of the free world, the United States, West Germany and Japan, all spent substantially more per head of population on civil research and development.

The United Kingdom is an open trading nation of comparatively meagre natural resources

(oil, the exception, being temporarily plentiful but finite). We stand at a time when the advent of several new technologies, of which micro-electronics is the most conspicuous, have already begun to revolutionize industrial society. These facts of our condition lay upon us a strict requirement to sustain an expanding effort in research and development all along the line from basic science to product design, and to acquire the habit of being receptive to its results.

Whether the effort is now large enough may be doubted after several years of public retrenchment and industrial recession, and when set beside that of other advanced industrial countries. It is also doubtful if the effort expended is as well directed as it could be. And it is certain that industry in its methods and its products is insufficiently receptive to the changes technological innovation dictates and the opportunities it offers.

The joint report by the chairman of the Government's two principal advisory bodies in this field reviews some of these matters. Its appearance in this form itself marks an improvement in as much as it offers for the first time joint consideration from the point of view of the research councils and from that of the administration of industrial R and D.

The report is excessively diplomatic in its comments on the setback to public science caused by the financial squeeze on the universities from 1981. It

was the boast of ministers that by maintaining the value of the Science Vote, from which the research councils receive their funds, they were protecting the output of research. In fact so interwoven are the research councils and the universities that the work of both was affected by the forced economies in university science. This report rightly lays emphasis on the need for stable long-term funding, and it is particularly disappointing that the universities were hit when the benefits of linking universities, government and industry in research and development programmes were coming to be recognized.

The report also dwells on the need for greater selectivity in committing the funds available. In pure and applied science the range is now so vast, the cost so high and velocity so great that choices must be made, some lines backed to the neglect of others, with the attendant risk of blunders and missed opportunities. In basic science these choices are left largely to the practitioners: the institutional arrangements may not be perfect but the choice is with the right people. Elsewhere in the research spectrum the question who is to make the choices of what to pursue and what to discontinue is less easy to answer and just as important to get right. Voices from the market place must be heard in the laboratory and vice versa; and the more narrowly resources are committed the greater is the cost of misjudgment.

## FROM MADRID TO BERNE

The Madrid conference is drawing to a close in much the same way as it began long months ago in September 1980: with bitter disagreement on the question of human rights. Since the USSR has been violating the principles of the Conference on Security and Cooperation in Europe (CSCE) from the very moment of signing the Helsinki Final Act in 1975, it might well be argued that further agreements will have equally little impact, and that the Madrid follow-up meeting should have been abandoned long ago. This would be a mistake.

It would also be wrong, however, to permit the USSR to change the emphasis of the CSCE so that it became largely a disarmament conference devoted to empty rhetoric on the desirability of peace. The present arms negotiations at Geneva and Vienna are regarded by many as more important than the Madrid conference because failure to make progress results in the expansion of already excessive military budgets and could have even more dire consequences. Yet disarmament talks deal with the results of East-West tensions, not their causes, while the issues debated so heatedly at Madrid go to the heart of the differences now dividing Europe: should the demands of a regime take priority over the rights of an individual citizen?

In an ideal society, conflicts between the state and the citizen are rare and are settled quickly by a fair compromise between freedom and obligation to society. Soviet delegates at Madrid, who include Igor Andropov, the son of the USSR

President, are in a very delicate position precisely because they represent not the wishes of the majority of their population, but rather the demands of a small party oligarchy. Having now accepted most of the Spanish proposals on human rights, they are still prolonging the proceedings by refusing to agree to a human contacts conference on family reunification and similar matters, to be held in Berne in 1986. This would commit the USSR to return to the dock for another embarrassing trial of its shameful record on human rights.

Soviet delegates wanted the contacts meeting to remain an informal obligation, mentioned in the chairman's concluding statement, while the US representatives insisted that it be incorporated in the final document. This is no mere quibble but an essential matter of gaining full recognition for the importance of the humanitarian clauses in "Basket Three" of the original Helsinki accord.

Without a formal agreement, there would be a strong risk that the USSR would refuse to attend the Berne meeting. This reluctance to discuss humanitarian issues has been the main obstacle to reaching a conclusion at Madrid. In March a draft agreement prepared by the neutral countries at the thirty-five nation talks was accepted by Nato members after the neutrals had allowed important amendments on human rights. The USSR denounced the amendments and told its allies to do likewise. In June, however, the Romanians accepted and, after the Spanish compromise pro-

posals, the Hungarian and Polish governments indicated their willingness to sign. Last Friday the USSR finally declared itself ready to yield substantial ground, but held out against the Berne meeting.

The discussions causing the greatest trouble at Madrid have involved the principle of free flow of people and information. Moscow continues to jam those radio broadcasts from the West which the regime regards as "interference in Soviet internal affairs". A system based on censorship cannot allow alternative sources of information, nor can it allow its citizens to travel abroad. This is why the term "defection" is used to describe the decision of the violinist Viktoriya Mullova to live in the West: a decision already taken by thousands of Soviet citizens, ranging from outstanding musicians, dancers, writers and scientists to ordinary sailors: the one thing they all have in common is that they had an opportunity to opt out of the Soviet society, and seized it.

Soviet spokesmen can argue that their system has advantages such as freedom from unemployment, and that those who are educated at the expense of the community should repay it by remaining to contribute their talents, rather than seeking greater rewards elsewhere. But until the peoples under communist regimes have a greater say in their country's foreign and domestic affairs, dangerous East-West tensions will continue. That is why Western negotiators must persevere on the issue of human rights.

## FIGHT, FIGHT AND FIGHT AGAIN

No single issue damaged Labour more in the election than its policy on disarmament. By espousing the principle of unilateralism it gave the impression that it would leave this country defenceless. By making contradictory statements as to what unilateralism would mean in practice its leaders appeared confused and divided. So the party got the worse of all worlds. If Labour is to rule Britain again it needs to sort out where it stands on this issue above all others.

The question was reopened on Monday by a statement from a group of right-wing trade union leaders published by the Labour Committee for Transatlantic Understanding. For the most part this statement, *Peace Through Nato*, is an orthodox exposition of the multilateralist case. The need for a policy of nuclear deterrence and the folly of one-sided disarmament are explained in familiar but vigorous terms.

The one surprise in the statement is the suggestion that the British and French deterrents might at some stage be brought into the debate on intermediate range nuclear forces. "For example, the level of Soviet SS-20 deployments might be permitted to exceed the American cruise and Pershing-2s in consideration of the British and French submarines and French and-based systems". What is being suggested here is not the

inclusion of the British and French forces in the precise equation of strength between East and West, but simply taking account of their existence.

Something of this kind may well be possible at some stage. But not in the INF negotiations. The British and French forces are national, strategic deterrents, not a link in the chain of defence for all the European members of the alliance. The suggestion ought not, therefore, to be accepted by Western governments as it stands. To do so would be to put the British and French nuclear armory in the wrong category.

But if it is possible to move later on to a more complex settlement involving strategic arms there are bound to be weapons on one side for which there is no exact equivalent on the other. On such occasions in the past it has been possible to reach an understanding to leave out of account one class of weapons on one side in return for excluding another class on the other side. A rough trade-off of this kind might well be possible again. But that is for a later stage.

The importance of the statement lies, however, not so much in its detailed argumentation as in the notice it gives that the struggle within the Labour Party has not finally been ended to the unilateralists. But what chance does this group have of reversing Labour policy on defence? It

includes some trade union leaders of power and distinction, but not all of them could carry the votes of their own unions on this issue and these signatories certainly do not represent between them a majority of votes at the party conference.

There are others, of course, in the unions, in the parliamentary party and in the constituency parties who will share the sentiments expressed in the statement. They should be strengthened in their convictions by the punishment meted out to Labour by the voters. Those who resist the siren voices of unilateralism can base their case not only on the national interest, but also on electoral prudence for the party.

Yet they will win the battle within Labour's ranks only if they wage it with more daring and resolution than in the past few years. That will depend a great deal upon who becomes the next leader of the party. It will always be possible to argue that Labour has many unilateralists among its activists and that party unity needs to be preserved. But it can be preserved at all costs only by sacrificing the confidence of the wider electorate. The challenge for Labour now is no longer to be obsessed with its own internal troubles, but to look outward and to speak to the country as a whole. The authors of this statement have shown how this can be done in one critical area of policy.

## Parliamentary pay and presumption

*From Sir Woodrow Wyatt*  
Sir, I disagree with your leading article of July 4 on parliamentary pay. When I first went into Parliament in 1945 the MP's salary was £600 a year. There was no secretarial allowance, no living away from home allowance, no free travel for wives, no free telephone, though we did have a locker with a key to put our papers in. Yet many would argue that the quality of MPs in the 1945 Parliament was at least as good as that of those in the present Parliament, if not better.

Allowing for inflation, that £600 would today be £6,810. The present MP's salary is £14,510, to which must be added a living-away allowance of up to £5,674, a secretarial allowance of up to £3,820, free telephones and 15 free journeys for one's wife. Yet MPs, many of whom have only been in the job for three weeks, are now demanding up to a 30 per cent rise for a very part-time job.

The great Herbert Morrison used to maintain that MPs should have work outside the House to keep them in contact with what life is all about. He was right. Those who try to make the Commons a full-time job are revolting on their own axis.

The fight against inflation is far from over. That MPs should be demanding a 30 per cent rise in member is grotesque. By 1945 standards they are handsomely paid already.

How can the Government exercise the vitally needed pay restraint if MPs set such a rotten example? They knew the pay and conditions before they applied for the job and there are many thousands of equal or better, quality willing to take their places if they now find they don't like them.

Yours faithfully,  
WOODROW WYATT,  
19 Cavendish Avenue, NW8,  
July 4.

## Sporting boycotts

*From the Bishop of Liverpool*  
Sir, David Miller wrote in his two articles in *The Times* (June 8 and 9) that the sporting boycott has reached the absolute limit of its effectiveness and is about to become rapidly counterproductive. The evidence he quoted came from four Whites, four Coloureds, one Indian and one black South African. Like so many British sportsmen and businessmen he discussed with many more whites and coloured people rather than with black people themselves who would help the 75 per cent of South Africans who are black.

Mr. Carlisle and the other MCC members, who are calling for an MCC team to go to South Africa, make a remarkable claim: "Recent sporting contacts have confirmed that full integration now exists both on and off the cricket field."

All my contacts with South Africans during the last year lead me to believe that the changes which have taken place are very modest and do not affect the majority of black people. All the black South Africans I know have consistently asked for the sporting boycott to be maintained. Some have also pressed that there should be a trade boycott. Those who disagree with that on the grounds that black South Africans would be most hurt by it, have urged us to continue the sporting boycott.

I salute the courage of white sportsmen who have stood up on this issue. They know that making substantial progress will need long perseverance. I have to note that they have only stood up since the sporting boycott has been enforced. It should not be lifted until non-racial sport becomes normal at every level from schools upwards. Such sporting opportunities should not rest on someone's nod or good will but on firmly established rights.

Your Cricket Correspondent repeatedly suggests that it is only Third World political leaders who oppose the resumption of international sport with South Africa. I must assure him that much responsible Christian leadership both inside and outside South Africa opposes it. For example, the Southern Africa Catholic Bishops' conference at the time of the 1981 Springboks' tour to New Zealand said that to lift the boycott would be to sacrifice one of the few peaceful levers for change in South African society.

I hope that members of the MCC will not ignore this on July 13. And I hope they will stand for a straightforward principle: the tradition of sport does not accept racial barriers. That's why sportsmen have refused to play against South Africa. That is why the pressure that the sporting boycott brings should be maintained.

Yours faithfully,  
DAVID LIVERPOOL,  
Church House,  
Haverhill Street,  
Liverpool,  
June 29.

## Sale of venison

*From Dr John Fletcher*  
Sir, I believe that "the flavour associated with venison" referred to by Mr John Lawless (*The Times*, June 29) is none other than putrefaction. The red deer of Scotland which produce about 75 per cent of Britain's venison are culled when, by agricultural standards, they are aged, often more than 10 years old; they would be uneatabley tough unless partially decomposed by hanging.

Further gamey flavour arises from the wound caused by the bullet and inadequate bleeding. It is an inevitable consequence of meat which is a by-product of a sporting industry and in no way reflects on the enthusiasm, skills and dedication of the hard-worked stalker.

## Implications in N Ireland of hanging

*From Mr William McDowell*  
Sir, Today a Protestant UVF man has been charged with shooting dead the Roman Catholic caretaker of Methodist College Preparatory School as he lay in his bed last April. One wonders if J. C. Beckett and his eminent colleagues (July 2) feel that the hanging of this UVF man, if convicted, would fuel "anti-British sentiment in Ireland" and "bring about the alienation of a large part of the middle ground".

J. C. Beckett and his colleagues have unfortunately reduced the contemporary Ulster problem to a nineteenth-century-style nationalist struggle against the British. It is, of course, in reality a much more complex phenomenon. The struggle is one for civil order, consensus, democracy, and self-determination.

The judicial hanging of those who have committed awful murders - whether their political motivation was grounded in the Unionist, Republican or Ulster separatist tradition - would be the explicit statement of intent to win by the Government in this struggle which my society so desperately needs.

I remain, Sir, your obedient servant,  
WILLIAM McDOWELL,  
Bloomfield,  
Colinstown,  
July 2.

## Threat to overseas aid

*From Mr John Wright*  
Sir, The Chairman of Oxfam (July 1) and your leader of June 20 have emphasized the value of the work done by the scientific units of ODA (Overseas Development Administration) recently reviewed, as you say, so superficially by a Rayner team. May I make two further points after experience as a surveyor in the Sudan, in a commercial survey company, and in one of those units?

The first is that it is not so much that the Government proposes to reduce this form of aid (though it may be planning this) as that it intends to cut out substantially the units concerned and hand over most of their work to contractors who are, of course, working for profit.

I believe that this proposal has two aspects needing more consideration: true costs and long-term effects. Many tasks in surveying natural resources can be easily defined and checked and are therefore suitable for contracts; particularly aerial photography and

## Burton's tomb

*From Mrs Rosalind Whitworth*  
Sir, Last Sunday I paid a visit to Sir Richard Burton's famous tomb at St Mary Magdalene's church at Mortlake. This tomb, which, I understand, is still regularly visited, particularly in the summer months, stands in a very neglected churchyard, and is in itself hard to locate.

At some later stage another burial has taken place at the rear, and this has to be negotiated in order to climb the iron stairs to view the interior of the tomb, which is now unfortunately surrounded by undergrowth.

Considering how unique this monument is, and the tributes that are being paid at the moment to this eminent anthropologist, it seems ironic that nobody has seen fit to maintain his exotic grave.

Yours faithfully,  
ROSALIND WHITWORTH,  
9 Tite Street,  
Chelsea, SW3,  
June 30.

## Dismissal of Mr Pym

*From Mr Michael Bailey*  
Sir, Your assertion that Mr Francis Pym "may not have been effective as a departmental minister" (leading article, July 1) calls into question not only the judgment of your leader writer, but also that of the Prime Minister. In her hour of need it was she who prevailed upon Mr Pym to succeed Lord Carrington as Foreign Secretary.

It is to his eternal credit that Mr Pym accepted the assignment at the most difficult time imaginable, even though the shrill style of Thatcher government must already have become abhorrent to him during his spell at Defence. In doing so he rightly put the nation's interests above considerations of personal incompatibility.

As a complete outsider, I formed the impression that the Foreign Office which Mr Pym took over was a department so entranced by the supposed wizardry and charisma of Lord Carrington that it had almost forgotten its proper function. However, this and other inherited problems Mr Pym took in his stride, doing a sterling job for Britain in an unassuming, unpretentious, yet very effective way. And, invariably, he allowed the Prime Minister to take the credit for the fruits of his labours.

Yours faithfully,  
MICHAEL BAILEY,  
48 Kingshill Park,  
Dursley, Gloucestershire.

*From Mr K. H. Oldaker*  
Sir, It is surely time the voice of a potential victim was heard. I am in my late seventies, I have a heart condition and I could make no resistance to an intruder who murdered me for whatever meagre sum he could find in the house.

I want the death penalty restored for my protection and for the protection of elderly disabled people, young girls, children and policemen.

The police, who are in the front line, want the death penalty restored and who would dare to deny them the right to their opinion?

Execution need not be by hanging. Emotive talk about the rope is simply an attempt to establish prejudice.

Smug, high-minded people, safe themselves, refuse even to consider a measure that might save many lives. They are, and mean to remain, out of contact with reality, wrapped in their delicate consciences.

The Methodist Union has said that a return to the death penalty would be a return to barbarism.

The barbarism is already here.

Yours faithfully,  
K. H. OLDAKER,  
4 Summit Close, N14,  
July 3.

also mapping. But it is by no means certain that the use of the considerable extra costs of organizing and checking - which is essential - the contracts are included.

The long-term effects on the recipient of technical assistance involving fieldwork or local projects by contract are seldom, in my experience, as good as those of direct aid because of the natural desire of the contractor to finish the job and be paid. This makes it difficult for him to include in a project the frustrating and often unpredictable task of training local staff and giving them increasing managerial responsibility.

Contracts are finished quickly and often well, but they tend to use sophisticated instruments and seldom leave behind suitable equipment or enough experienced and trained local staff to maintain the results or take any pride in the task.

Yours faithfully,  
JOHN WRIGHT,  
Webbs Farmhouse,  
Cuckfield Road,  
West Wittering, Chichester,  
West Sussex.

ing article, July 1) calls into question not only the judgment of your leader writer, but also that of the Prime Minister. In her hour of need it was she who prevailed upon Mr Pym to succeed Lord Carrington as Foreign Secretary.

It is to his eternal credit that Mr Pym accepted the assignment at the most difficult time imaginable, even though the shrill style of Thatcher government must already have become abhorrent to him during his spell at Defence. In doing so he rightly put the nation's interests above considerations of personal incompatibility.

## Labour peers and party policy

*From Lord Diamond*  
Sir, The public argument about new Labour peers is as confusing as it is unseemly. The Labour Party is committed to the abolition of the House of Lords on the ground that it has no necessary function to perform. This proposition has never enjoyed any real support among existing Labour peers, who are, of course, aware of the unique contribution to the government of the country made by the House of Lords.

Does the request for a substantial number of new Labour peers mean that there is a movement about to change party policy? Have the trade union leaders, who voted solidly for abolition, let it be known that they have been persuaded to the contrary view by the many ex-trade union leaders who, as peers, make such a valuable contribution to the work of the House of Lords?

If no such movement is afoot, is the request to be interpreted as an attempt to increase the total number of votes in Parliament favouring abolition? Is that how the new Labour peers will be expected to act? The Trojan horse provides a clear precedent of great antiquity; but will they individually have both a clear view and a clear conscience as they take the oath before taking their seats?

Amid this welter of confusion it is fortunate that the duties of her Majesty's loyal Opposition in the Lords can safely be left to the Alliance peers, as was shown in the recent debate on the Queen's Speech. On that occasion, as the figures correctly reported by *The Times* demonstrated, the number of Liberal and SDP peers voting for the Alliance amendment exceeded the number of Labour peers voting for the Labour amendment by eight. By a strange coincidence that is exactly the number of new Labour peers being sought, according to latest reports.

Your obedient servant,  
DIAMOND,  
(Leader of the SDP peers),  
House of Lords,  
July 4.

## US monetary policy

*From Professor J. E. Meade, FBA*  
Sir, In his article, "Debt: the cancer eating into the US economy" (June 22) Mr Congdon dramatically illustrates the horrific effect of a persistent budget deficit in conditions on which there is a high rate of interest. Compound interest on the national debt causes an explosive rise in the interest burden on the budget, and so in the budget deficit, and so in the national debt itself on which the interest is being compounded.

The cure, as Mr Congdon argues, calls for a reduction in the budget deficit. But it calls also for a reduction in the rate of interest. A less relaxed budgetary stance (for example, a reduction in current government expenditures) will in itself have a deflationary effect on the total money demand for goods and services; and this would make it possible to have a more relaxed monetary policy, with lower interest rates stimulating expenditures, without any net inflationary effect on total expenditures. Remedial action on the debt cancer would then rely on both blades of the surgeon's scissors: a smaller current deficit combined with a lower rate of interest on the national debt.

The US economy is sufficiently large for its policymakers to be able to choose an appropriate mix of fiscal and monetary policies. Unfortunately in an open economy smaller countries, such as the UK, are not able to choose their own mix with such complete freedom since the international flow of capital funds will impose a serious strain on their balances of payments if they attempt by a more relaxed monetary policy to maintain interest rates much below those ruling in the USA. The choice of the appropriate mix of fiscal and monetary policies in the USA is of crucial importance for the world economy.

Yours faithfully,  
J. E. MEADE,  
40 High Street,  
Little Shelford,  
Cambridge,  
June 25.

## Wayward water

*From Professor Joseph Black*  
Sir, Mrs Speight (July 2) has described very accurately her observation of "two simultaneous small vortices, one clockwise and one anti-clockwise, divided by a smooth flow of water". This effect was also observed by Leonardo and brilliantly illustrated by him in "Studies of water formation" drawing No 12660 (1507), Windsor Royal Library. This shows clearly a jet of water cascading down into water at rest, with the resulting two opposing circular motions.

Attractive though her deduction is that the Equator runs north and south through Berkshire, I am afraid that the explanation is much simpler. When a jet of water has to move within a body of water at rest, or in slower motion, there arises a shearing force acting along each boundary of the jet: this force induces a rotating motion or vortices which act as "rollers".

Since these "rollers" are on opposite sides of the smooth flow of water they will naturally have to rotate one clockwise and one anti-clockwise.

Yours faithfully,  
JOSEPH BLACK,  
School of Engineering,  
University of Bath,  
Claverton Down,  
Bath,  
July 2.







Copies of this prospectus, having attached thereto the documents specified herein, have been delivered to the registrar of companies for registration. Application has been made to the Council of The Stock Exchange for the ordinary share capital of DPCE Holdings plc ("the Company") to be admitted to the Official List. This prospectus includes particulars given in compliance with the regulations of the Council of The Stock Exchange for the purpose of giving information with regard to the Company and its subsidiaries ("DPCE"). The directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein, whether of fact or of opinion. All the directors accept responsibility accordingly.

No action will be taken on any application for the ordinary shares now being offered until 10.00 a.m. on 12th July, 1983. The application list may be closed at any time thereafter. The procedure for application is set out at the end of this prospectus.

# DPCE

## DPCE Holdings plc

incorporated under the Companies Acts 1948 to 1980  
No. 1539201

## Offer for Sale by Tender by Lazard Brothers & Co., Limited of

### 3,869,000 Ordinary Shares of 5p each at a minimum tender price of 170p per share, the price tendered being payable in full on application

#### Authorised

£1,000,000  
£750,000

#### SHARE CAPITAL

ordinary shares of 5p each  
11 per cent. cumulative redeemable preference shares of  
£1 each (to be redeemed out of the proceeds of the issue.)

#### Issued and to

be issued  
£589,050  
£750,000

Indebtedness. DPCE had outstanding at the close of business on 17th June, 1983 £750,000 nominal of 16 per cent. Unsecured Loan Stock 1983/88, which is to be repaid out of the proceeds of the Offer. Apart from any contingent liability for deferred taxation and save as aforesaid, apart from intra-group indebtedness, neither the Company nor any of its subsidiaries had at that date any other loan capital (including term loans) outstanding or created but unused nor any borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits, mortgages, charges, hire purchase commitments or guarantees or other material contingent liabilities.

#### DIRECTORS

Colin George Clive, B.Sc., M.B.A. (Chairman)\*

Keith George Meadows, M.A. (Managing Director)

Christopher Roger Ettrick Brooke, M.A.\*

John Desmond Cassidy, B.Sc.

Lionel Geoffrey Stopford Sackville, F.C.A.\*

Ernest Harvey Tordoff, F.C.A., Dip.M.S.

David Alan Travers

all of 6 Broad Street, Wokingham, Berkshire, RG11 1AB

\*non-executive

#### SECRETARY AND

REGISTERED OFFICE

E. H. Tordoff, F.C.A., Dip.M.S.

6 Broad Street, Wokingham, Berkshire RG11 1AB

#### ISSUING HOUSE

Lazard Brothers & Co., Limited  
21 Moorfields, London EC2P 2HT

#### STOCKBROKERS

Cazenove & Co.  
12 Tokenhouse Yard, London EC2R 7AN  
and The Stock Exchange

#### JOINT REPORTING ACCOUNTANTS

Coopers & Lybrand (Chartered Accountants)

Abacus House, Gutter Lane, Cheapside,  
London EC2V 8AH

#### AUDITORS AND JOINT

REPORTING ACCOUNTANTS

Thornton Baker (Chartered Accountants)  
Fairfax House, Fulwood Place, London WC1V 6DW

#### SOLICITORS TO THE COMPANY

Ashurst, Morris, Crisp & Co.

Broadgate House, 7 Eldon Street, London EC2M 7HD

#### SOLICITORS TO THE OFFER

Herbert Smith & Co.

Watling House, 35-37 Cannon Street,  
London EC4M 5SD

#### RECEIVING BANKERS

Barclays Bank PLC

New Issues Department, P.O. Box No. 123,  
Fleetway House, 25 Farringdon Street,  
London EC4A 4HD

#### REGISTRARS AND TRANSFER

OFFICE

Barclays Bank PLC

Registration Department, Radbroke Hall,  
Knutsford, Cheshire WA16 9EU

#### INTRODUCTION

DPCE is a market leader in the independent maintenance of a wide range of computer systems requiring highly reliable and sophisticated servicing by engineers on site and/or on call, often on a 24 hours per day basis. It also provides a range of other engineering services to users of computer systems, including the sale of training programmes and equipment.

DPCE operates mainly in the UK and The Netherlands. In both countries its principal maintenance contracts are with leading national and international organisations whose extensive use of sophisticated computer hardware supplied by a number of manufacturers makes reliable servicing arrangements imperative.

#### HISTORY

The business carried on by DPCE originated with the formation in Australia in 1971 of Data Processing Customer Engineering Pty. Limited ("DPCE Pty."). In 1972 DPCE Pty. was acquired by Dier Computer Corporation Limited, an Australian leasing company, which in turn was acquired in 1977 by Datronics Corporation Limited, a company listed on the Sydney Stock Exchange.

DPCE Pty.'s first major contract, to maintain the terminal network for Amstel Airlines, was awarded in 1973. The following year it negotiated a long term contract to maintain the computer network installed on the central site of Qantas, the national airline of Australia. DPCE Pty. continued to expand in Australia, winning contracts from leading institutions including the Sydney Stock Exchange, Reader's Digest and the Australian Department of Social Security.

In 1976 DPCE Pty. won its first major overseas maintenance contract following an invitation from British Airways ("BA") to undertake a hardware audit at Heathrow, one of its two principal computer sites, and then to tender for the maintenance contracts for the sites both at Heathrow and at the West London Air Terminal. Having been awarded the contract, DPCE Pty. set up a UK division to provide the necessary maintenance services at the two sites, which contained hardware manufactured by different companies.

From this demanding and exciting beginning, and with the introduction of a new management team in 1979, the UK division quickly expanded its customer base, signing contracts with, among others, British Telecom, University of Exeter and Coventry City Council. In 1980 DPCE won its first maintenance contract in The Netherlands, for KLM Royal Dutch Airlines N.V. ("KLM"). DPCE's rapid growth has resulted not only from the award of contracts by new customers but from increased levels of business with a number of existing customers. The table below demonstrates the growth of the business since 1st July, 1977:

	1978	1979	1980	1981	1982	1983
Number of maintenance contracts at 30th June	5	8	15	19	30	47
Turnover for year ended 30th June (£'000)	859	1,089	1,574	2,537	3,636	5,450 (estimate)

In April, 1981 DPCE's management, together with a consortium of UK financial institutions led by Thompson Clive & Partners Limited and Candover Investments Limited, formed the Company to acquire DPCE (UK) Limited ("DPCE (UK)"), which comprised the UK and Netherlands activities of DPCE Pty.

#### BUSINESS

##### Services offered

DPCE's principal activity is the provision of a maintenance service under contract to users of computer equipment, including central processing units, peripherals and distributed networks. Over 90 per cent. of DPCE's revenue is derived from this source. DPCE has developed a concept of total systems maintenance whereby the service is structured to accommodate the specific needs of customers, to avoid the problems that frequently develop in mixed equipment installations, and to enable customers to obtain the maximum serviceable life from their computer systems. The directors believe that DPCE is the largest independent group outside North America providing a service of this nature.

DPCE provides extensive training facilities for its employees and has developed training programmes for sale to customers and equipment manufacturers. It sells computer equipment, primarily to customers with maintenance contracts, and undertakes computer hardware audits which provide customers with advice on the serviceability and reliability of their existing systems.

##### Contractual arrangements

DPCE obtains contracts either following negotiations with potential customers, or, in the case of government or quasi-governmental institutions, through competitive tender.

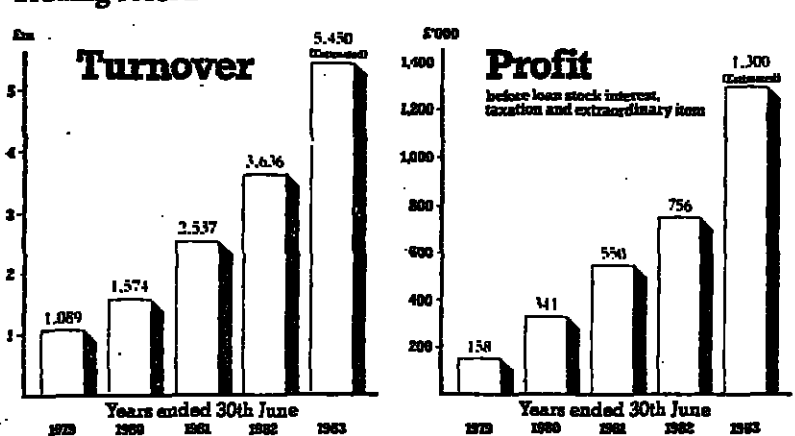
The duration of the contracts ranges from one to ten years but is typically for an initial period of between two and five years, continuing thereafter subject to a period of notice on either side. At 1st June, 1983 the total monthly charges receivable under maintenance contracts amounted to approximately £470,000. Of this total, 32 per cent. was in respect of contracts with over three years to run before the end of the initial period. The contracts stipulate the range and extent of the service and provide that DPCE's personnel will be available for specified periods of up to twenty-four hours per day to provide both routine maintenance and emergency breakdown services. The contract charges, which generally include the cost of all necessary spare parts, is subject to price escalation over the life of the contract, usually based on Government wage indices. Currently DPCE maintains equipment made by over 120 different manufacturers ranging from older generation machines such as the ICL System 4 to those incorporating the latest technology such as National Advanced Systems' NAS 9060 (Hitachi).

#### SUMMARY OF INFORMATION

The following information is derived from the full text of the prospectus and accordingly must be read in conjunction with that text.

**Business:** DPCE is a market leader in the provision of manufacturer-independent computer maintenance services, primarily under contract, to leading national and international organisations. Its ancillary activities include training, hardware consultancy and supply of equipment. The Company has two operating subsidiaries, one in the United Kingdom and one in The Netherlands.

##### Trading record



Offer for Sale statistics based on a minimum tender price of 170p per ordinary share, and pro forma earnings\* and balance sheet:—

• Number of ordinary shares of 5p in issue and to be issued	11,781,000
• Market capitalisation	£20.0 million
• Pro forma earnings per ordinary share for the year ended 30th June, 1983	
(a) on estimated tax charge	7.6p
(b) on full tax charge	5.8p
• Price/earnings multiple (based on pro forma earnings)	
(a) estimated tax charge	22.4
(b) full tax charge	29.3
• Forecast minimum net dividend per ordinary share for the year ending 30th June, 1984	2p
• Gross dividend yield	1.7 per cent.
• Pro forma net assets as at 31st March, 1983 — attributable to ordinary shareholders	£3.9 million
— per ordinary share	32.7p

\*See "Profit Estimate" for basis of calculation.

##### Suppliers

In order to maintain supplies of the parts necessary to keep computer equipment fully operational, DPCE maintains trading relationships with computer manufacturers, original equipment manufacturers, plug-compatible equipment manufacturers, component and sub-assembly manufacturers, and computer dealers and brokers. DPCE has access to suppliers not only in the UK and Europe, but also in the USA. As additional sources for parts, it purchases new and second-hand equipment and refurbishes sub-assemblies.

##### Major customers

The quality and sophistication of DPCE's maintenance service is such that its customers are principally major companies or public sector institutions which are heavy users of computer systems.

The original BA contract, which at 1st June, 1983 was contributing about 28 per cent. of contracted revenue, was originally awarded for a period of three years, but was extended in October, 1978 for five years from that time, continuing thereafter subject to six months' notice on either side. BA has expressed its complete satisfaction with DPCE's performance, and the directors are confident that while DPCE maintains its present standards BA will continue to use its services. BA has awarded DPCE a further contract at a third site, at Bealieu House, Ruislip, for an initial three year period from 1st January, 1982.

National Girobank awarded DPCE a contract for an initial five year period, which commenced in May, 1982, to provide a service on site at Bootle, Merseyside to maintain document reading equipment. Since commencement significant additions have been made to this contract and further additions are expected.

In December, 1979 British Telecom awarded DPCE a one year contract to maintain its London Airport Cargo E.D.P. System ("LACES") at Heathrow and Gatwick. On expiry of that contract, it awarded DPCE a contract, expected to continue for ten years, to maintain its ACP 80 system, which was the successor to LACES. The revenues from this contract have increased substantially since its commencement. Further British Telecom contracts followed for the maintenance of systems at Harmondsworth and Leeds.

In January, 1980 KLM awarded DPCE a contract to maintain part of its central site at Amsterdam in The Netherlands. As a result of successful performance, DPCE was awarded a contract for an initial five year period to provide on site and on call service to maintain all of the central site equipment. An additional contract was awarded with effect from 1st January, 1983 to maintain the KLM Cargo computer system at Schiphol Airport.

As at 1st June, 1983 the contracts described above were generating some 60 per cent. of contracted revenue.

In June, 1983 a major UK food retailer awarded DPCE a substantial contract for an initial three year period for the maintenance of its central computer systems.

Other significant customers include:

**British Industry**  
Austin Rover Group (a subsidiary of B.L. Cars)  
John Brown Engineers & Constructors  
Hunting Engineering  
George Outram & Company (a subsidiary of Lorch)

**Computer Services**  
Computer Aided Design Centre  
Computer Uitwijk Centrum  
Elstree Computing (a subsidiary of John Laing)  
Sicom (a subsidiary of The British Petroleum Company)

**Financial Services**  
Save & Prosper Group  
Sentry Insurance (Management)

##### Sales and marketing

DPCE's marketing technique is to approach prospective customers with a view to making a presentation leading to a formal proposal and the negotiation of a maintenance contract. DPCE does little advertising as it considers that a direct approach to selected prospective customers is more cost effective. It does, however, produce a regular newsletter which is circulated to over five hundred organisations and individuals including existing and prospective customers.

DPCE seeks the custom of major companies and public sector institutions which have large computer installations. The directors consider that the potential market for its services is very substantial and that only a small percentage of computer maintenance is currently contracted to independent companies. They believe that this market share will increase as the benefits of independent computer maintenance become more widely recognised and successful performance and market exposure further enhance the credibility of companies such as DPCE.

There are certain trends in the computer industry which will affect DPCE and the service which it offers, but the directors do not consider they will be prejudicial to DPCE's growth. The most important are:

- a slow but definite trend towards remote diagnostics, whereby faults can be traced away from the machine and the faults rectified by semi-skilled staff; progress in this field to date has been limited, but in any event DPCE sees the separation of customers from a manufacturer's skilled engineering service as working ultimately in its favour;
- the improved reliability and reduced cost of equipment with a concomitant reduction of manufacturer's maintenance charges, particularly in respect of central processing units; this does not, however, result in a net reduction of DPCE's market as it is more than offset by the increased use, and greater sophistication, of the peripheral equipment attached to central processing units; and
- a trend towards distributed processing, in response to which DPCE has organised itself to provide maintenance on remotely located networks as well as central sites.

Experience with customers leads DPCE to believe that organisations with large and complex systems frequently perceive advantages in using independent maintenance, notably:

- competitive pricing resulting in cost savings;
- arrangements tailored specifically to the needs of customers, including if required, 24 hours per day presence of engineers specifically dedicated to the customer's site, thus increasing available system time;
- protection against withdrawal of maintenance by the manufacturer or equipment supplier;
- total systems maintenance of mixed equipment, eliminating contention between manufacturers over the allocation of responsibility for faults;
- control over capital expenditure because DPCE has no vested interest in up-grading the equipment or declaring it obsolete;
- greater freedom to purchase plug-compatible, add-on and second-hand equipment, in order to make the best use of financial resources;



- (g) charges based on the resources used and not on the number of machines installed (in contrast to the normal supplier charging basis), allowing more flexibility for additions, removals and re-configuration; and
- (h) independent advice on the relative maintainability of equipment supplied by different manufacturers.

#### Competition

DPCE's principal competitors are the equipment suppliers who traditionally offer a maintenance service for their own equipment. As well as providing a source of revenue, this service has enabled the manufacturers to maintain close contact with their customers and thereby assist in securing further sales. Some manufacturers have at times made it difficult for DPCE to gain access to documentation, diagnostic facilities and spare parts, and DPCE continues to encounter some resistance. Nevertheless, owing to the existence of anti-trust laws in the USA, DPCE has been able to obtain documentation, diagnostic facilities and spare parts from the USA even when encountering resistance in the UK. Furthermore, the directors consider that DPCE now has good working relationships with nearly all the major manufacturers.

There are several computer maintenance companies in the UK which might provide competition for DPCE in the future. They have not, however, proved a significant force to date. Most of these companies concentrate on minicomputers, microcomputers and smaller systems.

#### Premises

DPCE has a lease for a period of twenty-five years from 25th March, 1978 of premises at 6 Broad Street, Wokingham, Berkshire. The rent is currently £36,000 per annum. DPCE will have insufficient space in this building by the end of 1983 and is currently negotiating for the acquisition of larger premises in Wokingham, comprising approximately 9,000 square feet at an annual rent likely to be slightly more than twice the rent for the existing premises (which will be disposed of in due course).

DPCE's only other permanent accommodation is an office in The Netherlands shared with NVO Computer Leasing B.V. ("NVO") to which DPCE (Netherlands) B.V. ("DPCE (NL)") pays a nominal rent. In addition DPCE has a number of repair workshops on customers' premises in the UK and The Netherlands.

#### DIRECTORS, MANAGEMENT AND EMPLOYEES

##### Directors

C. G. Clive, aged 46, was appointed the chairman of the Company on its formation in 1981. He has a degree in electrical engineering from the Massachusetts Institute of Technology and an MBA from Harvard Business School, and has been connected with the computer industry for 25 years. His career has included periods at IBM and as a vice-president of Bankers Trust Co. During his time with the latter he helped to build up its London merchant banking subsidiary, Bankers Trust International, and he has participated in starting up or developing a number of companies in high technology and computer-related fields. He is currently joint managing director of Thompson Clive & Partners where he manages two venture capital funds concentrating on high technology investment in the UK and the USA. He is the chairman, or a director, of a number of small to medium sized companies, mainly in the high technology field.

K. G. Meadows, aged 47, was appointed managing director in 1981. After graduating from Oxford University, Mr. Meadows spent four years on the marketing side of British-American Tobacco in Eastern Europe and South America. In 1963 he first entered the computer field by joining Burroughs Machines. He left to join English Electric Computers, now ICL, in 1967, where he occupied various management posts, including that of London area manager for Baric Computing Services. In 1972 he was recruited by First National City Bank of New York, now Citibank, in order to plan and manage a European computer services network. When this project was aborted in 1974 he joined IMS Lycette as international marketing manager. Following a brief period with Marcol Computer Services, he joined the UK division of DPCE Pty. as general manager in 1979.

C. R. E. Brooke, aged 52, was appointed a director in 1981. He is currently chief executive of Candover Investments, and has held posts as deputy managing director of the Industrial Reorganisation Corporation from 1966 to 1969, an executive director of S. Pearson & Son from 1971 to 1979, and group managing director of EMI for a short period until it was merged with Thorn Electrical Industries in 1980.

J. D. Cassidy, aged 46, was appointed a director in 1982. After graduating from London University he spent ten years with the Decca Navigator Company originally as a development engineer, then as chief engineer and finally as general manager of various overseas subsidiaries in Nigeria, the Middle East and the USA. He left Decca in 1970 to concentrate on the computer industry and joined GTE International becoming their sales manager in 1971 and undertaking managerial training in the UK and the USA. In 1973 he joined IBM and was responsible for selling large systems into the distribution industry. Subsequent training in point of sale management systems followed as a precursor to participation in IBM's team for the retail store industry. He spent two years as marketing director of BIS Applied Systems, a major systems house, before joining DPCE as sales manager in 1979. He became sales and marketing director of DPCE (UK) in 1981.

L. G. Stopford Sackville, aged 50, was appointed a director in June, 1983. He qualified as a chartered accountant in 1959, since when he has had extensive experience working for a wide range of companies, principally in the financial and mineral resources sectors. He has been a director of a number of major companies including Charter Consolidated, Selection Trust, Mineral and Resources Corporation and Anglo American Corporation of South Africa. He was chairman of Cape Industries from 1979 to 1980, having been a director since 1970, and of Beral Tin & Wolf from 1972 to 1980. He is currently a non-executive director of Anglo American Gold Investment Company and Chairman of Bardsey and Union Jack Oil Company.

E. H. Tordoff, aged 36, was appointed finance director in January, 1983. After qualifying as a chartered accountant in 1968 he spent two years as a partner in a provincial practice before joining Peat Marwick Mitchell in Jamaica. On his return to England he lectured in audit and accountancy for two years at Hull College of Commerce and then became group accountant with the Bishop's Move group. He joined DPCE in 1977 as financial controller, and became finance director of DPCE (UK) in 1982. He is also company secretary.

D. A. Travers, aged 39, was appointed a director in 1982. After serving an apprenticeship with Thorn Electrical Industries he joined Sperry Univac as a computer engineer in 1965. He was with Sperry Univac continuously from 1965 until he joined DPCE, apart from a period of 18 months when he was engaged by Burroughs Machines on its Barclays Bank project, and by Computer Field Maintenance as a project engineer. During his time with Sperry he held various engineering and management positions and, as site manager, was directly responsible for the installation and maintenance of the Trans Australian and BA West London Air Terminal computer systems. He joined DPCE in 1976 as a site manager and was appointed engineering manager in 1978. In 1981 he became operations director of DPCE (UK).

##### Senior Management

The operating subsidiaries of the Company also have the following directors:

J. M. Gries-Gran, aged 35, was appointed engineering director of DPCE (UK) in January, 1983, having previously been engineering manager with specific responsibility for servicing ICL systems and new projects including the National Girobank contract. Prior to joining DPCE in 1976 he worked with IBM for two years and was on the technical support staff of Sperry Univac from 1969 until 1975.

R. J. Marshall, aged 40, was appointed the purchasing director of DPCE (UK) in 1982. He spent 7 years at the Royal Air Force, and worked for Honeywell as a technical support engineer and for Sperry Univac as a customer engineer. He joined DPCE Pty. in Australia in 1972 as an engineer, and held a number of managerial positions up to 1978, when he transferred to the UK division.

N. J. van Osselen, aged 38, became part-time sales director of DPCE (NL) in April, 1983. After studying at the Technical University of Delft, he joined the National Aerospace Laboratory as a programmer, later moving to IBM. In 1971 he joined Data 100 Systems, holding a number of marketing positions, before moving in 1978 to ITEL, a company involved in selling and brokering computers. In 1981 he formed NVO, and since 1981 he has acted as consultant to DPCE (NL).

DPCE operates through a management structure of area and site managers, all but one of whom were previously engineers with DPCE. It is DPCE's policy to encourage promotion from within and to create customer awareness throughout the organisation.

##### Employees

DPCE has approximately 160 employees of whom about 25 are based at Wokingham in Berkshire, 2 at Zeist in The Netherlands and the remainder at customers' premises. An analysis of the employees by function shows:

	%
Operations and engineering	88
Marketing	4
Support services	3
Finance	5
	100

About 80 per cent. of the employees are aged 40 or under and some 30 per cent. are aged 30 or under. Most of the labour used is skilled, and this is reflected in the average total remuneration which is approaching £15,000 per annum. DPCE offers excellent career opportunities for its engineers and has experienced a low rate of staff turnover.

##### Pension and health insurance schemes

DPCE provides a non-contributory pension scheme for all permanent UK employees and executive directors over the age of 21 with more than six months' service. The pension scheme provides its members with free life assurance equal to four times basic earnings. Based on a valuation carried out by the Scottish Life Assurance Company, the funds of the scheme as at 1st October, 1982 were sufficient to meet the accrued liabilities. DPCE also bears the cost of a permanent health insurance scheme which provides benefits in the event of prolonged periods of sickness, and of insuring its employees with B.U.P.A.

##### Profit sharing scheme

DPCE is in the course of establishing a profit sharing scheme to be approved by the Inland Revenue under the Finance Act 1978 (as amended), a summary of which is set out in paragraph 8 of Appendix 4. It is estimated that the cost of the profit sharing scheme will not exceed the cost of the current profit sharing arrangements, which it replaces.

##### Shareholdings

Following The Offer for Sale, the directors of the Company and nine senior employees of DPCE will hold a total of 4,712,500 ordinary shares of 5p each, representing 14.5 per cent. of the Company.

#### PROCEEDS OF THE OFFER FOR SALE AND WORKING CAPITAL

##### Proceeds of the Offer for Sale

The proceeds of the Offer for Sale will be applied:

- in paying to the Company in respect of 1,962,000 new ordinary shares of 5p each to be subscribed by Lazard Brothers & Co. Limited ("Lazards") the sum of £3,217,015, being the minimum tender price of 170p per share less a commission of 4.25p per share (exclusive of VAT) and a fee to Lazards;
- in paying to the shareholders of the Company as at 1st July, 1983 a sum in respect of each of those shares equal to the amount (if any) by which the striking price exceeds the minimum tender price; and
- in paying to such shareholders in respect of a total of 1,907,000 ordinary shares of 5p each sold by them to Lazards a sum equal to the striking price less a commission of 4.25p per share (exclusive of VAT).

These arrangements are set out in greater detail under "Offer for Sale agreement" in paragraph 2 of Appendix 4.

# DPCE

## DPCE Holdings plc

Out of the proceeds receivable by the Company, estimated to amount to £2,886 million net of expenses, £787,500 will be used to repay the principal of the 16 per cent. Unsecured Loan Stock 1983/88 of the Company on or before 31st July, 1983 at £105 per cent., £847,500 to redeem its outstanding 11 per cent. cumulative redeemable preference shares of £1 each on or before 31st August, 1983 at 113p per share, and the balance to finance the expansion of DPCE's business, in particular the cost of establishing new contracts, and to provide working capital.

##### Working Capital

The directors are of the opinion that, taking account of available bank facilities and the net proceeds of the Offer for Sale receivable by the Company, DPCE will have sufficient working capital for its present requirements.

##### DIVIDENDS

In lieu of a final dividend, an interim dividend totalling £12,262 (equivalent to approximately 0.1p per ordinary share of 5p following the reorganisation of the Company's share capital) was paid on 21st June, 1983.

The shares now being offered for sale will rank in full for all dividends hereafter declared, paid or made on the ordinary share capital of the Company. The directors intend, in the absence of unforeseen circumstances, to recommend dividends for the year ending 30th June, 1984 totalling not less than 2p per ordinary share. It is intended that an interim dividend of 0.7p will be paid in February, 1984 and the final dividend will be paid in October, 1984.

##### TRADING RECORD

	1978	1979	1980	1981	1982	1983	1983
							(estimate) (pro forma estimate)
Turnover	£000	£000	£000	£000	£000	£000	£000
	859	1,089	1,574	2,537	3,636	5,450	5,450
Profit before loan stock interest	209	158	341	550	756	1,300	1,427
Profit before taxation	209	158	341	522	636	1,180	1,427
Profit after taxation and before extraordinary items	131	88	207	287	346	781	900
Earnings per ordinary share	1.3p	0.9p	2.1p	2.7p	2.7p	7.1p	7.6p

DPCE's business has been consistently profitable throughout the period. On the basis of the profit estimate, turnover and profit before loan stock interest have grown by 45 per cent. and 44 per cent. compound respectively over the five years ended 30th June, 1983 and by 51 per cent. and 56 per cent. compound respectively over the three years ended 30th June, 1983.

The directors estimate that in the year ended 30th June, 1983 turnover attributable to the operations in The Netherlands accounted for approximately 9 per cent. of DPCE's total turnover.

DPCE's success in developing new business and increasing its income over the last few years has been matched by its success in recruiting, training and managing staff to enable consistent levels of profitability and overall margins to be maintained.

The effective rate of taxation has been between 37 and 46 per cent. for the five years ended 30th June, 1982 and, for the year ended 30th June, 1983, it is expected to be not more than 34 per cent. These low rates are attributable to accelerated capital allowances and other reliefs.

The earnings per ordinary share for the years ended 30th June, 1981, 1982 and 1983 were reduced by the significant preference dividends which arose as part of the financing of the purchase by the Company of DPCE (UK).

##### PROFIT ESTIMATE

The directors estimate that the profit before loan stock interest for the year ended 30th June, 1983 was £1.3 million. Coopers & Lybrand and Thornton Baker, and Lazards, have reported on the profit estimate and their letters are reproduced in Appendix 3.

The pro forma earnings per ordinary share following the Offer for Sale have been calculated on the estimated pro forma profit after taxation for the year ended 30th June, 1983, the number of shares which will then be in issue, and the net proceeds of the Offer for Sale available to the Company after repayment of the 16 per cent. Unsecured Loan Stock 1983/88 and redemption of the 11 per cent. cumulative redeemable preference shares of £1 each of the Company. It has been assumed that the balance net of expenses, would have earned a return of 10 per cent. before taxation.

On the basis of the pro forma profit estimate, a tax charge of 57 per cent. and 11,781,000 ordinary shares in issue following the Offer for Sale, earnings per ordinary share are 7.6p. If a notional charge for corporation tax were provided at the rate of 52 per cent. on the pro forma estimated profit, the earnings per ordinary share would be 5.8p.

At the minimum tender price of 170p per ordinary share and on the basis of pro forma earnings per ordinary share of 7.6p the price/earnings multiple is 22.4: based on a notional fully taxed figure of 5.8p per ordinary share it would be 29.3.

##### PROSPECTS

Based on the profit estimate for the year ended 30th June, 1983, DPCE's profits before loan stock interest have increased by six times over the past five years, and by nearly four times over the three years since 1st July, 1980. DPCE's future is closely linked to the development of the computer industry as a whole and, as relative expenditure on services increases, the strongly customer-orientated nature of DPCE's services can be expected to become more highly valued. The directors therefore expect the business of DPCE and its revenue and profit to continue to grow in real terms. The directors expect that the profit after tax for the six months ending 31st December, 1983 will represent a material improvement over the results for the equivalent period in the preceding year.

In the view of the directors, DPCE's present market has considerable potential for development, and new markets are available, primarily in the UK, Europe and the USA. Future growth will come from a wider acceptance of the independent maintenance concept among potential customers and an expansion of DPCE's capabilities in terms of manpower and expertise. While DPCE currently has no difficulty in recruiting engineering staff of the calibre required, the directors recognise the need to develop the management expertise of DPCE's engineers to handle the increasing business, and they are confident that this can be achieved.

The directors believe that with its competence and experience DPCE is capable of leading the development of independent maintenance in the rapidly expanding markets for computer technology.

##### APPENDIX 1

PRO FORMA CONSOLIDATED BALANCE SHEET AT 31ST MARCH, 1983.  
Set out below is a pro forma balance sheet based on DPCE's consolidated balance sheet at 31st March, 1983 as set out in the Accountant's Report in Appendix 2 adjusted to reflect:

- the sub-division and conversion of "A" and "B" ordinary shares into ordinary shares of 5p each and the capitalisation of reserves and rights issue of new ordinary shares of 5p each referred to in note 17 to Appendix 2;
- the receipt of the minimum tender price in respect of the issues of shares referred to in note 17 to Appendix 2, amounting to £2,902 million, net of the estimated expenses of the issue;
- the redemption of the loan stock at £105 per cent; and
- the redemption of the preference shares at 113p per £1 share.

	Per Accountants' Report £'000	Pro forma £'000
Employment of Capital		
Fixed assets	912	912
Goodwill	1,499	1,499
Contract establishment costs	212	212
Advance corporation tax recoverable	—	42
Current assets		
Debtors	435	435
Short term deposits	795	795
Bank balances and cash	160	1,144
	1,390	2,374
Current liabilities		
Bank overdraft	383	—
Creditors and accrued expenses	626	626
Taxation	498	540
Advance payments received	22	22
	1,429	1,188
Net current (liabilities)/assets	(39)	1,186
	2,584	3,560
Capital employed		
Share capital	995	589
Share premium	43	2,668
Distributable reserves	796	594
	1,834	3,851
Loan stock	796	—
	2,584	3,851

##### APPENDIX 2

##### ACCOUNTANTS' REPORT

The following is a copy of a joint report to the directors of the Company and Lazards received from Coopers & Lybrand and Thornton Baker.

The Directors,  
DPCE Holdings plc,  
6 Broad Street,  
Wokingham,  
Berkshire RG11 1AB

The Directors,  
Lazard Brothers & Co. Limited,  
21 Moorfields,  
London EC2P 2HT

Dear Sirs,

1. DPCE Holdings plc ("the Company") was incorporated on 16th January, 1981 as Broadville Limited and on 2nd October, 1981 its name was changed to DPCE Holdings Limited. The Company was re-registered as a public company on 16th May, 1983.

2. On 8th April, 1981 the Company acquired the whole of the issued share capital of DPCE (UK) Limited ("DPCE (UK)"), which had previously acquired Data Processing Customer Engineering Pty. Limited ("DPCE Pty.") whose only assets, liabilities and business at the time of acquisition were those constituting its UK division ("the division").

1st July, 1983

- We have examined the activities, results and net assets of the Company and those companies which are currently subsidiaries (together "DPCE") except that, in the case of DPCE Pty., the subsidiaries of DPCE in, and one of the subsidiaries of DPCE Pty. in, the division, our examination has covered the five years ended 30th June, 1983 and the nine months ended 31st March, 1983. The principal subsidiaries concerned are detailed at note 12.
- Thornton Baker has acted as auditors since the incorporation of the Company. Moore Stephens & Co. audited the accounts of the division for certain periods relevant to this report as set out in note 1 (b).
- The accounting reference date for all the companies in DPCE is 30th June, which was also the accounting reference date for the division.
- The financial information set out in this report is based on the audited accounts of the companies and the division after making such adjustments to the audited accounts as we consider appropriate.
- In our opinion—
  - the financial information set out below under the heading "Historical Cost Accounts" gives, under the historical cost convention, a true and fair view of the profit and source and application of funds of DPCE for the five years ended 30th June, 1983 and the nine months ended 31st March, 1983 and of the state of affairs of the Company and DPCE at 31st March, 1983; and
  - the summarised current cost information set out below under the heading "Current Cost Accounts" has been properly prepared in accordance with the policies and methods set out in this report to give the information required by Statement of Standard Accounting Practice No. 16.

##### HISTORICAL COST ACCOUNTS

##### Consolidated profit and loss accounts

	Notes	1978	1979	1980	1981	1982	Nine months ended 31st March, 1983
		£'000	£'000	£'000	£'000	£'000	£'000
Turnover	2	859	1,089	1,574	2,537	3,636	5,450
Profit before loan stock interest	—	209	158	341	550	756	949
Loan stock interest	—	—	—	—	(28)	(130)	(90)
Profit before taxation	3	209	158	341	522	626	859
Taxation	4	(78)	(70)	(134)	(235)	(290)	(233)
Profit after taxation and before extraordinary items	—	131	88	207	287	336	627
Extraordinary items	5	—	—	—	(24)	—	—
Profit for the period	—	131	88	207	263	336	627
Earnings per ordinary share	6	1.3p	0.9p	2.1p	2.7p	2.7p	6.0p
Movements on distributable reserves—							
Reserves at beginning of period	—	73	109	72	114	23	10
Profit for the period	—	131	88	207	263	336	627
Goodwill written off	7	—	—	—	—	(65)	—
Net remittances to head office	8	(95)	(125)	(165)	(90)	(94)	(41)
Pre-acquisition reserves of the division	9	—	—	—	(237)	—	—
Reserves at end of period	—	109	92	114	23	210	79

##### Balance sheets at 31st March, 1983

	Company £'000	Notes	Consolidated £'000
Employment of Capital			
Fixed assets	—	10	912
Goodwill	—	11	1,499
Contract establishment costs	—	—	212
Subsidiary companies	1,356	12	—
Current assets			
Debtors	—	—	435
Short term deposits	—	13	795
Bank balances and cash	—	—	160
	510	—	1,390
Current liabilities			
Bank overdraft	—	—	383
Creditors and accrued expenses	—	—	626
Taxation	—	15	498
Advance payments received	—	—	22
	157	—	1,429
Net current assets/(liabilities)	353	—	(39)
Capital Employed			
Share capital	995	16	995
Share premium	43	—	43
Distributable reserves	796	—	796
	1,834	—	1,834
Loan stock	796	18	796
	2,584	—	2,584

##### Consolidated statements of source and application of funds

Consolidated statements of source and application of funds							Nine months ended 31st March, 1983
	Notes	1978 £'000	1979 £'000	Year ended 30th June 1980 £'000	1981 £'000	1982 £'000	1983 £'000
<b>Source of funds</b>							
Profit before loan stock interest		209	158	341	550	756	949
Extraordinary item before taxation		—	—	—	(49)	—	—
Adjustments for items not involving the movement of funds		—	—	—	—	—	—
Depreciation		19	31	46	77	133	208
Amortisation of contract establishment costs		33	36	6	34	44	41
Other items		—	—	—	—	38	—
<b>Total generated from operations</b>		<b>261</b>	<b>225</b>	<b>393</b>	<b>612</b>	<b>971</b>	<b>1,198</b>
<b>Funds from other sources</b>							
Issue of share capital		—	—	—	975	3	60
Sale of fixed assets		—	5	7	—	3	33
Loan stock		—	—	—	750	—	—
		<b>261</b>	<b>230</b>	<b>400</b>	<b>2,337</b>	<b>977</b>	<b>1,291</b>



# DPCE

## DPCE Holdings plc

- (g) **Contract establishment costs**  
Expenditure incurred in establishing a maintenance contract is deferred and written off over the minimum estimated contract life. Contract establishment costs include amounts incurred in—  
(i) recruiting and training staff for a contract;  
(ii) employing the staff prior to the contract commencement; and  
(iii) purchasing the relevant computer unit, materials and other documentation.
- (h) **Deferred taxation**  
Deferred taxation is provided using the liability method for all timing differences except where the directors consider that no liability will arise in the foreseeable future.
- (i) **Foreign currencies**  
Assets, liabilities and the results of overseas interests in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the relevant period.  
Translation differences arising from the retranslation of the opening net investment in overseas interests are dealt with through reserves. All other differences are dealt with through the profit and loss account.
- (j) **Pensions**  
DPCE provides a non-contributory pension scheme for its UK employees which is funded in accordance with independent actuarial advice, any revision in the funding rate being implemented from the renewal date following the valuation.

### 2. Turnover analysis

	Year ended 30th June					Nine months ended 31st March
	1978	1979	1980	1981	1982	1983
	£'000	£'000	£'000	£'000	£'000	£'000
Maintenance contracts	829	972	1,410	2,451	3,290	3,673
Other services	30	30	78	59	165	215
Sales of equipment	—	87	86	27	181	91
	859	1,089	1,574	2,537	3,636	3,979

### 3. Profit before taxation

	Year ended 30th June					Nine months ended 31st March
	1978	1979	1980	1981	1982	1983
	£'000	£'000	£'000	£'000	£'000	£'000
Directors' emoluments—						
Director's fees	—	—	—	4	18	15
Management remuneration	—	—	—	5	22	87
Other fees	—	—	—	5	20	14
Pension contributions	—	—	—	1	4	9
Depreciation	19	31	46	77	133	208
Amortisation of contract establishment costs	33	36	6	34	44	41
Loss of vehicles and equipment	29	54	88	139	200	210
Auditors' remuneration	—	—	—	10	11	12
and after excluding—						
Interest receivable	2	11	20	19	52	40

In 1978, 1979 and 1980 the auditors' remuneration was borne by the Australian head office of DPCE Pty. There were no directors' emoluments in the years when the business was operated as a division of DPCE Pty, as there were no local directors.

### 4. Taxation

The taxation charge, which is based on the profits for the year or period, comprises—

	Year ended 30th June					Nine months ended 31st March
	1978	1979	1980	1981	1982	1983
	£'000	£'000	£'000	£'000	£'000	£'000
United Kingdom corporation tax at 52 per cent.	78	70	134	235	273	200
Overseas taxation at 45 per cent.	—	—	—	—	17	32
	78	70	134	235	290	232

The taxation charge has been reduced by accelerated capital allowances on fixed assets and accelerated relief for contract establishment costs.

### 5. Extraordinary items

	Year ended 30th June
	1981
	£'000
Professional fees and interest paid relating to the cost of financing and setting up the group structure (net of attributable taxation of £25,000)	24

### 6. Earnings per ordinary share

Earnings per ordinary share are based on the profit after taxation and preference dividend but before extraordinary items and on 9,810,000 ordinary shares of 5p each, being the number of ordinary shares in issue immediately prior to the share subscriptions referred to in note 17.

### 7. Net remittances to head office

These represent amounts remitted by the division to the Australian head office of DPCE Pty, prior to the acquisition of DPCE Pty, by DPCE (UK).

### 8. Dividends

	Year ended 30th June			Nine months ended 31st March
	1981	1982	1983	1983
	£'000	£'000	£'000	£'000
"A" ordinary shares of 20p each	—	3	—	—
"B" ordinary shares of 25p each	—	8	—	—
11 per cent. convertible cumulative redeemable preference shares of £1 each	19	83	41	41
	19	86	41	41

### 9. Acquisition of the division by DPCE (UK)

- (a) Pre-acquisition reserves of the division represent the reserves of DPCE Pty, at the date of its acquisition by DPCE (UK).
- (b) Purchase of business represents the payment to third parties in connection with the acquisition of the goodwill and other net assets of DPCE Pty.

### 10. Fixed assets

	Plant and equipment	Contract equipment	Office equipment	Total
	£'000	£'000	£'000	£'000
Cost	362	938	76	1,376
Less accumulated depreciation	(123)	(318)	(23)	(464)
Net book value at 31st March, 1983	239	620	53	912

### 11. Goodwill

The goodwill in the consolidated balance sheet arises on the acquisition by DPCE (UK) of DPCE Pty. Subsequently DPCE Pty's assets, liabilities and business were transferred to DPCE (UK), which continues the trade. Although the goodwill arises on consolidation, it is supported by goodwill in DPCE (UK).

In accordance with DPCE's accounting policy, goodwill is stated at original consideration less the fair value of assets acquired, less amounts written off. The directors are aware that it is likely that an accounting standard will be issued which will require that goodwill arising on consolidation is written off either—

- (a) through the profit and loss account over its economic life, up to a maximum of twenty years; or
- (b) in its entirety against reserves.

The effect of complying with this proposed standard and adopting approach (a) above, assuming an economic life of twenty years, would be to decrease profit before and after taxation by £75,000 per annum.

### 12. Subsidiary companies

	£'000
Shares and loan stock at cost	1,777
Less amounts owing to subsidiary companies	(421)
	1,356

The principal subsidiaries, both of which are wholly owned, are—

	Place of incorporation	Date of incorporation	Issued share capital
DPCE (UK) Limited	England	23rd January, 1981	£100,000
DPCE (Netherlands) BV	The Netherlands	6th October, 1981	DFI 50,000

### 13. Short term deposits

Short term deposits represent monies on deposit with Barclays Bank PLC at up to seven days' notice.

### 14. Banking arrangements

At 31st March, 1983 the Company and DPCE (UK) had a £250,000 overdraft and documentary credit facility from Barclays Bank PLC renewable on 1st December, 1983 and secured by a cross guarantee and debenture between the Company, DPCE (UK) and another wholly owned subsidiary. On 16th June, 1983 Barclays Bank PLC released the security.

### 15. Taxation

	The Company	Consolidated
	£'000	£'000
Corporation tax for the years ended 30th June, 1981 and 1982, payable on demand	53	283
Corporation tax for the nine months ended 31st March, 1983, payable in April, 1984	63	166
Overseas tax	—	49
	116	498

### 16. Share capital

The authorised and issued share capital at 31st March, 1983 was made up as follows—

	Authorised	Issued and fully paid
	£'000	£'000
"A" ordinary shares of 20p each	75	70
"B" ordinary shares of 25p each	925	175
11 per cent. convertible cumulative redeemable preference shares of £1 each	750	750
	1,750	995

On 1st July, 1983 the capital was reorganised as referred to in note 17 below.

### 17. Subsequent changes in capitalisation

On 27th June, 1983, conditionally upon the ordinary share capital of the Company issued and to be issued being admitted to the Official List of The Stock Exchange, the three non-executive directors each agreed to subscribe in cash at the striking price for 3,000 ordinary shares of 5p each.

Conditionally upon the ordinary share capital of the Company issued and now being issued being admitted to the Official List of The Stock Exchange, by a special resolution of the Company dated 1st July, 1983—

- (a) the rights of the holders of the preference shares were altered to enable redemption at any date on 30 days' notice in writing by the Company;
- (b) each of the existing "A" ordinary shares of 20p was sub-divided into 4 "A" ordinary shares of 5p each;
- (c) each of the existing "B" ordinary shares of 25p was sub-divided into 5 "B" ordinary shares of 5p each;
- (d) each "A" ordinary share and each "B" ordinary share of 5p was converted into 1 ordinary share of 5p;
- (e) £245,250, being part of the amount standing to the credit of the share premium account and distributable reserves of the Company, was capitalised and the directors were authorised and directed to appropriate that sum by allocating 4,905,000 ordinary shares of 5p each, credited as fully paid, to the holders of the ordinary shares;

On 1st July, 1983, conditionally upon the ordinary share capital of the Company issued and to be issued being admitted to the Official List of The Stock Exchange, 1,962,000 ordinary shares of 5p each were offered to existing shareholders for subscription by way of rights at a price of 170p per share.

### 18. Loan stock

The 16 per cent. Unsecured Loan Stock 1983/88 ("the loan stock") is repayable at par on 31st December, 1988. The Company has the option to repay any part of the loan stock on or after 1st January, 1983 as follows—

- (a) at £105 per cent. before 31st December, 1985;
- (b) at par after 31st December, 1985.

On 6th June, 1983 notice was given to the holders of the loan stock that the Company intends (conditionally upon the ordinary share capital issued and to be issued being admitted to the Official List of The Stock Exchange) to repay the whole of the loan stock on or before 31st July, 1983 at £105 per cent.

### 19. Deferred taxation

In accordance with DPCE's accounting policy, no provision for deferred taxation has been made by DPCE or the Company at 31st March, 1983. The full potential liability at that date is set out below—

	The Company	Consolidated
	£'000	£'000
Accelerated capital allowances on fixed assets	—	411
Accelerated relief for contract establishment costs	—	100
	—	511

### 20. Capital commitments

Capital commitments are as follows—

	The Company	Consolidated
	£'000	£'000
Expenditure contracted for	—	64
Approved expenditure outstanding	—	—
	—	64

### CURRENT COST ACCOUNTS

Consolidated current cost profit and loss accounts

	Notes	Year ended 30th June	Nine months ended 31st March
		1981	1982
		£'000	£'000
Turnover		2,537	3,636
Profit before loan stock interest under the historical cost convention		550	756
Current cost operating adjustments	2	(110)	(115)
Current cost operating profit		540	741
Loan stock interest		(28)	(120)
Gearing adjustment		5	7
Current cost profit before taxation		517	628
Taxation		(235)	(290)
Current cost profit after taxation		282	338
Extraordinary item		(24)	—
Current cost profit for the period	4	258	338
Current cost earnings per ordinary share		2.7p	2.6p

### Summarised consolidated current cost balance sheet at 31st March, 1983

	Notes	£'000	£'000
Fixed assets			968
Goodwill	3	—	1,499
Contract establishment costs		—	225
Net current liabilities		(213)	—
Monetary working capital		(498)	—
Other current liabilities		—	(711)
Net borrowings		—	—
Bank and cash balances		672	—
Loan stock		(750)	—
		—	(78)
Share capital		—	1,903
Share premium		—	43
Current cost reserve		—	92
Other reserves		—	773
		—	1,903

### Notes to the consolidated current cost accounts

#### 1. Basis of preparation

The current cost accounts, which are in summarised form, have been prepared by reference to current cost principles in conformity with Statement of Standard Accounting Practice No. 16. The accounting policies are the same as those used in the historical cost accounts except as set out below—

- (a) **Fixed assets and depreciation**  
The gross current cost of plant and equipment and office equipment has been based on appropriate indices compiled by the government statistical service. The gross current cost of contract equipment has not been adjusted as this equipment is not increasing in cost.
- (b) **Contract establishment costs**  
The gross current cost of contract establishment costs has been based on internally produced estimates incorporating DPCE's pay increases over the relevant periods.
- (c) **Monetary working capital**  
Since net current liabilities arise no adjustment has been made for monetary working capital. The amount of net current liabilities has been included with net borrowings in calculating the gearing adjustment.
- (d) **Gearing**  
The gearing adjustment represents that portion of the current cost adjustments which is attributable to the net borrowings and therefore is not taken into account when calculating the current cost profit attributable to the ordinary shareholders. The gearing adjustment has been calculated using the opening and closing current cost balance sheets.

#### 2. Current cost operating adjustments

	Year ended 30th June	Nine months ended 31st March
	1981	1982
	£'000	£'000
Depreciation	8	13
Amortisation of contract establishment costs	2	3
	10	16

#### 3. Fixed assets

	Plant and equipment	Contract equipment	Office equipment	Total
	£'000	£'000	£'000	£'000
Current cost	476	938	86	1,500
Less accumulated depreciation	(183)	(318)	(29)	(530)
Net current cost at 31st March, 1983	291	620	57	968

### 4. Movements on reserves

#### (a) Current cost reserves—

	Year ended 30th June	Nine months ended 31st March
	1981	1982
	£'000	£'000
At beginning of period	30	44
Revaluation surplus reflecting price changes—		
Plant and equipment	13	26
Office equipment	2	1
Contract establishment costs	4	3
Gearing adjustment	(5)	(7)
At end of period	44	67

#### (b) Other reserves—

	£'000	£'000	£'000
At beginning of period	114	18	197
Current cost profit for the period	258	338	617
Goodwill written off	—	(65)	—
Net remittances to head office	(98)	—	—
Dividends	(19)	(94)	(41)
Pre-acquisition reserves of the division	(237)	—	—
At end of period	18	197	773

### AUDITED ACCOUNTS

Audited accounts of DPCE have not been prepared in respect of any period subsequent to 31st March, 1983.

Yours truly,  
COOPERS & LYBRAND  
Chartered Accountants

Yours truly,  
THORNTON BAKER  
Chartered Accountants

### APPENDIX 3 PROFIT ESTIMATE

The following are copies of letters to the directors of the Company from Coopers & Lybrand and Thornton Baker, and from Lazards, relating to the profit estimate for the year ended 30th June, 1983:

The Directors,  
DPCE Holdings plc,  
4 Broad Street,  
Wokingham,  
Berkshire RG11 1AB.

Abacus House,  
Gutter Lane,  
Chislehurst,  
London EC3V 8AH.

Fairfax House,  
Fulwood Place,  
London WC1V 6DW

1st July, 1983

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the profit estimate of DPCE Holdings plc and its subsidiaries for the year ended 30th June, 1983 as set out in the paragraph headed "Profit Estimate" of the prospectus for the year ended 30th June, 1983, for which you, as directors, are solely responsible, has been prepared under the historical cost convention, and is based on audited accounts for the nine months ended 31st March, 1983, management accounts for April and May, 1983 and an estimate of results for June, 1983.

In our opinion, the profit estimate, so far as the accounting policies and calculations are concerned, has been properly compiled and is presented on a basis consistent with the accounting policies normally adopted by DPCE Holdings plc and its subsidiaries.

Yours truly,  
COOPERS & LYBRAND  
Chartered Accountants

Yours truly,  
THORNTON BAKER  
Chartered Accountants

The Directors,  
DPCE Holdings plc,  
4 Broad Street,  
Wokingham,  
Berkshire RG11 1AB.

31 Moorfields,  
London EC2P 3HT

1st July, 1983

Dear Sirs,

We have discussed with you, Coopers & Lybrand and Thornton Baker the profit estimate of DPCE Holdings plc and its subsidiaries for the year ended 30th June, 1983 as set out in the prospectus to be dated 4th July, 1983. We consider that the profit estimate, for which you, as directors, are solely responsible, has been made after due and careful enquiry.

Yours truly,  
for and on behalf of  
LAZARD BROTHERS & CO., LIMITED  
David Vacey  
Director

### APPENDIX 4 STATUTORY AND GENERAL INFORMATION

#### 1. Changes to share capital

(a) At 4th July, 1981 the authorised share capital of the Company was £1,750,000 divided into 375,000 "A" ordinary shares of 20p each, 3,750,000 "B" ordinary shares of 25p each and 750,000 11 per cent. convertible cumulative redeemable preference shares of £1 each ("the preference shares") of which 312,500 "A" ordinary shares, 650,000 "B" ordinary shares and all the preference shares were in issue and fully paid or credited as fully paid.

(b) On 9th November, 1981 15,000 "A" ordinary shares of 20p each were issued for cash at par.

(c) On 14th December, 1982 8,750 "A" ordinary shares of 20p each were issued for cash at £2 per share.

(d) On 14th February, 1983 50,000 "B" ordinary shares of 25p each were issued for cash at par upon the exercise by Thompson Clive Finance Limited and Candover Investments Limited of options to subscribe for that aggregate number of "B" ordinary shares.

(e) On 28th March, 1983 15,000 "A" ordinary shares of 20p each were issued for cash at £2 per share.

(f) On 27th June, 1983, conditionally upon the ordinary share capital of the Company issued and now being issued being admitted to the Official List of The Stock Exchange, C. G. Clive, C. R. E. Brooke and L. G. Stoford each agreed to subscribe in cash at the striking price for 3,000 ordinary shares of 5p each.











## MARKET REPORT by Michael Clark

## Buying spree at Bammers

ACCOUNT DAYS: Dealings began, July 4. Dealings end, July 15. Contango Day, July 18. Settlement Day, July 25.

Mr. Tucker Suleyman, the Turkish entrepreneur, has emerged as the reason behind the recent activity in Bammers Stores, the textile manufacturer and retailer.

Yesterday he announced the purchase of 2.23 million shares from the Vernon family, who control Bammers, at 15p a share. He also has an option to buy a further 2.23 million shares at 15p a share and another 839,000 at 24p a share.

If the options are exercised it takes his total holdings in the company to just under 15 per cent.

Shares of Bammers closed 1p dearer at a new high of 26p, after 29p, valuing the entire company at £9.3m.

Last night Mr. Suleyman was coy about his plans for Bammers. "It's a good investment for Mellins and helps us move away from manufacturing. The deal is attractive when you compare the share price against assets", he said. In the last set of accounts assets were quoted at 42p a share.

Meanwhile, the market is hoping that even if a full bid for Bammers is some way off, Mr. Suleyman's magic touch might

achieve the same as it did for Mellins. Last year when Mr. Suleyman took over as chairman the shares stood at a mere

Biomechanics International, the effluent disposal group, made up for its late arrival yesterday when the shares started dealing on the USM. The 3 million shares placed by brokers North cot at 50p a share opened a 10p premium of 51p. Close observers now reckon the shares are worth between 150p to 200p within the next couple of months.

24p, yesterday they were trading at 168p.

The rest of the equity market remained in the doldrums not helped by the nervous opening on Wall Street and worse-than-expected money supply figures showing M3 up by 1.75 per cent against forecasts of 0.7 per cent.

The FT index fell below 700, closing 10.0 down at 691.8 - its

lowest since May 19. Dealers are becoming increasingly bearish and fear the market may be due for a sharp fall.

Fears of higher US interest rates and the banking figures left gilts with falls of up to 1p in nervous selling with another drab session by the pound on the foreign exchange leaving it 0.25 cents lower at \$1.5285.

Leading equities were nearly all marked lower. The exception was Bowers 1p up at 221p with dealers reporting heavy call option business as hopes of a possible bid from across the Atlantic continued to help the price. The market estimates that assets could be worth about £8 a share.

BICC was another firm spot, adding 3p to 233p, while Beecham came under pressure, losing 10p to 333p as another large line of the new shares came under offer. BOC Group also came under renewed selling pressure falling 5p to 208p.

Brokers Phillips & Drew put

the finishing touches to their latest circular on Satchell & Satchell, the Conservative Party's advertising agency.

However, the broker's are doubtful that the Government's election win will play a big role in Satchell's full-year profits.

They are looking to an improvement in margins and recent acquisitions to set the trend for future profits growth.

The brokers forecast profits of £10m this year against £5.5m with £12.5m next year, including a full year's contribution from McCallum & McCall in the US of about £500,000. Phillips & Drew feel there is still some leeway in the share price and see it possibly as high as 550p in the short term.

A large sale of shares changing hands in the Far East produced a flurry of takeover speculation for trustees, as the shares rose 8p to 82p. Ultramax of Hongkong has bought Overseas Union Enterprises' 5 million shares for an undisclosed sum.

This amounts to about 15 per cent of the share capital and has raised hopes that the deal may be shortly followed by a full bid.

## RECENT ISSUES

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9

## BRITISH FUNDS

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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## COMMONWEALTH AND FOREIGN

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9

## LOCAL AUTHORITIES

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9

## DOLLAR STOCKS

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9

## BANKS AND DISCOUNTS

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9

## BREWERIES AND DISTILLERIES

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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## COMMERCIAL AND INDUSTRIAL

Company	Price	Yield
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
Adams Leisure 10p Ord (80s)	121.0	9.9
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Adams Leisure 10p Ord (80s)	121.0	9.9

## Sterling: Spot and Forward

Market	Rate
New York	1.5285
London	1.5285
Frankfurt	1.5285
Paris	1.5285
Brussels	1.5285
Amsterdam	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285

Effective exchange rate compared to 1972, was 84.5p £1

## Money Market Rates

Market	Rate
New York	1.5285
London	1.5285
Frankfurt	1.5285
Paris	1.5285
Brussels	1.5285
Amsterdam	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285

## Other Markets

Market	Rate
New York	1.5285
London	1.5285
Frankfurt	1.5285
Paris	1.5285
Brussels	1.5285
Amsterdam	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285

## Dollar Spot Rates

Market	Rate
New York	1.5285
London	1.5285
Frankfurt	1.5285
Paris	1.5285
Brussels	1.5285
Amsterdam	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285

## Euro-\$ Deposits

Market	Rate
New York	1.5285
London	1.5285
Frankfurt	1.5285
Paris	1.5285
Brussels	1.5285
Amsterdam	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285

## Gold

Market	Rate
New York	1.5285
London	1.5285
Frankfurt	1.5285
Paris	1.5285
Brussels	1.5285
Amsterdam	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285
Stockholm	1.5285
Copenhagen	1.5285
Helsinki	1.5285
Oslo	1.5285

## THE TIMES 1000

1982/1983

The World's Top Companies

The 1000 largest companies in the world by turnover

The 1000 largest companies in the world by turnover

The 1000 largest companies in the world by turnover

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Investment  
and  
FinanceCity Editor  
Anthony Hilton

THE TIMES

City Office  
200 Gray's Inn Road  
London WC1X 8EZ  
Telephone 01-857 1234

## STOCK EXCHANGES

FT Index 891.8 down 10.0  
FT 100 81.08 down 0.52  
Bargains 22.224  
Datastream USM Leaders:  
95.51 down 0.76  
Tokyo Nikkei Dow Jones  
Index 8,928.13 down 43.45  
Hankook Hang Seng Index  
1,021.50 down 14.07  
New York Dow Jones Industrial  
Average (latest) 1,210.44  
down 14.82  
Amsterdam Index 148.2 up  
1.3  
Sydney AO Index 606.8 down  
1.5  
Frankfurt Commerzbank  
Index 970.8 up 4.9

## CURRENCIES

LONDON CLOSE  
Sterling \$1.5290 down 45 pts  
Index 84.5 up 0.1  
DM 3.93 up 0.050  
FF 11.7825 up 0.0075  
Yen 367.75 down 0.75  
Dollar  
Index 125.7 up 0.3  
DM 2.5680

## NEW YORK LATEST

Sterling \$1.5290  
ECU 0.580880  
SDR 0.697522

## INTEREST RATES

Domestic rates:  
Bank base rates 9%  
Finance House base rate 10%  
Discount market loans week  
fixed 9%  
3 month interbank 9%  
Euro-currency rates:  
3 month dollar 9%  
3 month DM 5%  
3 month FF 14%  
US rates:  
Bank prime rate 10.50%  
Fed Funds 9  
Treasury long bond 92 17/21

## PRICE CHANGES

Brown & T. 88p + 25p  
H. Ingram 67p + 5p  
BL 31p + 2p  
Audiotronic 16.5 + 1p  
Ldn. Shop 149p + 8p  
Staffs. Potts 55p + 3p  
Allied Plant 7p - 1p  
AI Ind 10.5 - 1.5p  
Grain 34p - 4p  
Hankmax 28p - 3p  
Hillford Docks 41p - 4p  
Freemans 82p - 6p

## TODAY

Interim Blundell - Pemo-  
glaze Higgs.  
Finale Equity Consort Inv Tst.  
Marston, Thompson and  
Evershed.  
Economic statistics: Adv-  
ance energy statistics (May).

## ANNUAL MEETINGS

Altitude, 2 St Mary Ave, EC4  
(12.30).  
Case, Caxton Way, Watford  
Business Park, Watford (noon).  
C.E. Heath, Queens Rooms,  
Belle Vue, 14/20 St Mary Ave,  
EC3 (noon).  
London & Northern Group,  
Essex Hall, Essex Street, WC2  
(3.00).  
London Trust Company,  
Connaught Rooms, Great  
Queens Street, WC2 (noon).  
J. Sainsbury, Plaisteads  
Hall, 1 London Wall, EC2  
(noon).  
William Sindall, Gonville  
Hotel, Cambridge (12.15).  
TR North American Invest-  
ment Trust, Mermaid House,  
2 Puddle Dock, EC4 (12.45).  
Thomas Warrington &  
Sons, Queens Hotel, City  
Road, Chester (11.00).

● FRESH TALKS: A high-  
level American Government  
delegation has arrived in Lon-  
don to continue talks with  
British Government officials on  
the dispute arising from the  
Laker Airways crash in which  
the British have forbidden two  
British airlines from complying  
with an American subpoena  
demanding information.

● NIGERIA REFINANCING: Nigeria was expected to  
agree yesterday to sign an  
agreement next with 24 creditor  
banks to renege about \$1.6bn  
in trade debt arrears. Govern-  
ment officials were said to have  
initiated an agreement in  
London.

● CRODA SELL-OFF: The  
Dutch Shell Group hopes to  
conclude the £15m acquisition  
of Croda International's syn-  
thetic chemical division within  
two months. The division is  
expected to make pretax profits  
of £500,000 on a turnover of  
£28m this year.

● STEEL SLUMPS: Steel  
output in the EEC was 15.3 per  
cent down in the first five  
months of the year against a  
year earlier, it was announced  
yesterday.

M3 well above target after 1.75% monthly rise

Surge in money growth dashes  
hopes of cut in interest rates

By Frances Williams, Economics Correspondent

A fresh surge in monetary growth last month has dashed hopes of a further fall in interest rates in the coming weeks. It has also fuelled speculation that Mr Nigel Lawson, the Chancellor, will shortly reduce state spending in an attempt to curb a threatened overshoot in public borrowing.

The Bank of England said yesterday that the most widely watched measure of broad money, sterling M3, grew by an estimated 1.75 per cent in the four weeks to mid-June, a much bigger rise than expected.

Since February the money supply has grown at an annual rate of 11 per cent, well above the 11 per cent limit of the Government's target band.

But changes to the way the figures are calculated for seasonal factors have led to a downward revision of monetary growth for earlier months. In the three months to May, sterling M3 is now estimated to have risen by 13.8 per cent at an annual rate, compared with the 15.7 per cent previously published.

A detailed breakdown of the money figures will not be available until next week. But separate statistics from the London clearing banks point to a sharp jump in bank lending last month, mainly for mortgages and to farmers, although the manufacturing sector also borrowed more.

The clearing banks put the underlying rise in bank lending at nearly £1bn and adding lending by other institutions could swell the total to nearer £1,500m, more than at any time since last autumn.

The increase in bank lending, while unexpected, may not worry the authorities unduly. Industry loan demand remains low, and the Bank of England said in its *Quarterly Bulletin* last week that it expected personal borrowing to taper off later in the year.

Much more worrying is the evidence that state borrowing is continuing to run ahead of target. What at first looked like a one-off government spending spree at the end of the 1982-83 financial year appears to have continued into the present year.

Mr Lawson said in a radio interview last week that there were signs that spending was running too high. He had earlier told the Commons that "at a

time when the monetary aggregates are growing rather quickly we shall be watching the course of (government) borrowing very closely in the coming months, and I stand by ready to take action if our objectives are endangered."

Analysts believe that government borrowing could overshoot its £2.2bn target by as much as £2bn.

The clear indication is that Mr Lawson will wish to take action on state spending rather than raise interest rates to restrain money growth. Higher interest rates could stifle the fragile recovery and are unlikely to prove effective, officials will argue. But further cuts are ruled out unless the pound strengthens substantially.

The Chancellor will not find it easy to make immediate spending cuts; these take time to put in place. But his other short-term option - to sell more government stock to cover higher borrowing - has been made more difficult by the nervous state of the gilt market.

On Monday, Rank is expected to come out with first-half profits at least two-thirds of the figure reported for the whole of 1982. It should also maintain the dividend.

So Rank is far from on its back. And that makes it harder for institutions to effect change.

There is also the more practical point of where to find the right person to run Rank efficiently and in doing so, to carry the incumbent board with him.

Normally, companies are in a much worse state before board changes are demanded and management become much more attentive to shareholders' demands.

That is why the institutions, which include the Prudential Assurance, the National Coal Board and Save & Prosper, must be seen to get results.

There are a number of options. With 25 per cent of the shares, the institutions could let it be known that a

## MONEY GROWTH

	June	Feb-June at annual rate
M1	1%	17%
M2	1%	16%
PSL2	1%	17%

Target range Feb 83 to April 84 at annual rate: 7-11  
Source: Bank of England

continued into the present year. Mr Lawson said in a radio interview last week that there were signs that spending was running too high. He had earlier told the Commons that "at a

time when the monetary aggregates are growing rather quickly we shall be watching the course of (government) borrowing very closely in the coming months, and I stand by ready to take action if our objectives are endangered."

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That is why the institutions, which include the Prudential Assurance, the National Coal Board and Save & Prosper, must be seen to get results.

There are a number of options. With 25 per cent of the shares, the institutions could let it be known that a

takeover bid might tempt them to part with their strategic holding. Alternatively, they could call a special shareholders' meeting and use their voting power to demand board resignations.

Both actions would take place in a glare of publicity - something that institutions, until recently at least, have liked to avoid in their relationships with companies.

However, having taken a public stand by announcing the recruitment of a new Rank commander at the group's annual meeting, it no longer does them credit to return to the method of coaxing changes behind closed doors.

Building societies in search of cash

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## Share index slips below 700-mark

By Michael Clark

Share prices beat a hasty retreat yesterday after the worst day since May 19. The FT index of 30 leading shares fell below the 700-mark closing at 691.8 - its lowest level since May 19.

Dealers now fear that the market is poised for a sharp fall after Mrs Thatcher's election victory amid fears that an

increase in US interest rates is inevitable.

Gilts had another disappointing day yesterday with falls of around 1% as sterling continued to lose ground on foreign exchanges.

United Leasing's new issue has been a flop. The computer leasing company announced that only 50 per cent of its offer of 4,107,143 shares - a third of the equity - was taken up at a price of 140p.

Trading starts next Monday and the remaining shares will be allotted by advisers Barclays Merchant Bank and lead underwriters Phillips and Drew.

Barclays is hoping that the underwriters will keep their shares for some time, rather than unload them on to a falling

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The troubles began last February when United decided to sack its then financial advisers Hill Samuel. This caused a three-month delay.

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By Our Financial Staff

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Schroder  
Wagg picks  
young chief

Schroder is appointing Mr Win Bischoff, 42, a German national as the youngest chairman of its merchant bank J. Henry Schroder Wagg.

Mr Bischoff, who has run the bank for six years, in October, Mr Hall, who is 57, will continue as a director as well as joint deputy chairman of Schroder's, the parent company.

Lord Airle, chairman of Schroder's, said yesterday that running the merchant bank was an arduous task and the decision was made some time ago to give some of the younger blood its head.

In the City the blue-blooded Schroder Wagg is perceived to have slipped in the merchant bank ratings, particularly in corporate finance. Thomas Tilling, recently bought by BTR, replaced Schroder Wagg, its long-standing adviser, with S. C. Warburg to try to fight off the BTR bid.

Mr Bischoff said the bank's market share of merger business was well up this year but conceded that perhaps it had more aggressive.

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## City Editor's Comment

Rebel institutions in  
search of power

Nine shareholders who speak for a quarter of the votes in the Rank Organisation are in a corner. Their names are among the powerful and wealthy investment institutions in the City. Yet they are beginning to look, at least to the casual observer, rather impotent.

All want a big shake-up of Rank's 19-member board on which sit seven knights and where fewer than half take any day-to-day responsibility in running the company. But none of the nine is sure how to effect that wish.

Three months ago they knew. At least, they thought there was agreement with the board that a new executive deputy-chairman should be appointed who would eventually take over complete control. They and other shareholders thought that there would be a real change to improve the poor return which Rank was getting from substantial assets. Nothing has happened so far.

On Monday, Rank is expected to come out with first-half profits at least two-thirds of the figure reported for the whole of 1982. It should also maintain the dividend.

So Rank is far from on its back. And that makes it harder for institutions to effect change.

There is also the more practical point of where to find the right person to run Rank efficiently and in doing so, to carry the incumbent board with him.

Normally, companies are in a much worse state before board changes are demanded and management become much more attentive to shareholders' demands.

That is why the institutions, which include the Prudential Assurance, the National Coal Board and Save & Prosper, must be seen to get results.

There are a number of options. With 25 per cent of the shares, the institutions could let it be known that a

takeover bid might tempt them to part with their strategic holding. Alternatively, they could call a special shareholders' meeting and use their voting power to demand board resignations.

Both actions would take place in a glare of publicity - something that institutions, until recently at least, have liked to avoid in their relationships with companies.

However, having taken a public stand by announcing the recruitment of a new Rank commander at the group's annual meeting, it no longer does them credit to return to the method of coaxing changes behind closed doors.

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Tokyo link  
for Morgan  
Guaranty

Morgan Guaranty Trust Company, the world's largest pension fund manager, and Nomura Securities, Japan's largest securities house, have applied for approval of a joint venture investment trust management company, the first of its kind in Japan.

Such a Japanese - US venture could have broad implications for



# Norcros p.l.c. pre-tax profit a record £28.3m

Ken Roberts, Chairman, reports:

Trading Profit up 15.3% to £30.7m  
Borrowings reduced  
Earnings per share up 9.4%

Financial summary of year to 31st March 1983

	1983	1982
External sales	£355.5m	£332.3m
Exports	£53.5m	£40.5m
Profit before taxation	£28.3m	£25.1m
Earnings per ordinary share	15.97p	14.60p
Total ordinary dividend	6.32p	5.88p
Final recommended dividend 4.24p (1982—3.92p)		

The Annual General Meeting will be held on 1st August, 1983.

Copies of the Report and Accounts and Corporate Brochure are available from:

The Company Secretary, Norcros p.l.c.,  
Spencers Wood, Reading, Berks RG7 1NT.

This abridged profit and loss account is an extract from the full accounts for the year ended 31st March 1983, on which the report of the auditors is unqualified. The accounts have not yet been filed with the Registrar of Companies.



## Investors: racy image, cautious view

Finance for Industry, the bank-owned institution which this week acquires a new name—Investors in Industry—and a new racy image, has revealed a cautious attitude towards the country's ability to pull out of recession.

Lord Caldecote, the chairman, announcing the group's results for the year to the end of March, disclosed that had debt provisions had been increased to a record £30.8m from £19.7m the previous year, "which in our view means that the effects of the recession will continue."

Resulting pretax profits for 1982-83 were £25m, compared with £28.2m but the balance sheet remains as strong.

The organization, now to be known under the clumsy title of the 3i Group, has proved itself to be far from inept in surviving the ravages of the last three years and now holds equity shares which cost £34.9m but have a current valuation of £239.7m.

New investments last year were only slightly lower at £261m, bringing the group's total investments to more than £1,000m. Earnings per share were 16.1p (19.1p) and a total dividend of 7p per share (6p) is proposed.

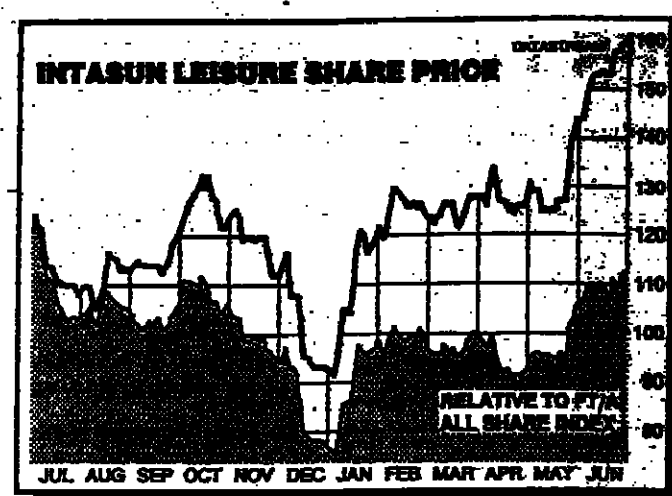
The 3i shareholders—the Bank of England and the clearing banks—should be well pleased with its performance although it is clear that the new attempts to jazz up the corporate identity indicate a fear of growing competition.

Certainly, there seems to be no shift in the old FFI policy of offering capital and loans to the traditional sectors of industry, to small companies through the

Industrial and Commercial Finance Corporation, and to new high risk ventures through Technical Development Capital, now called the Ventures Division.

This concentration on the traditional sectors, like the West Midlands mechanical engineering industry, has hit FFI to the tune of more than 400 business failures in the last two years and the need to write off £25m of investment. Now there is a belief that the rot has been stopped.

The sheer size of the 3i group should guarantee its continued success. Last year, its income fell by £3.5m but it still achieved a total of £15.7m and also managed to raise £189m in overseas markets, particularly New York, Switzerland and Japan, where many 3i customers would find difficulty. The ability to raise funds where others cannot will be its most valuable asset and contribution, over the next few years.



### Intasun

Leisure Group  
Year to 31.3.83  
Pretax profit £14.52m (£14.07m)  
Stated earnings 24.3p (19.8p)  
Turnover £141.65m (£114.11m)  
Net final dividend 2.8p net making 4p net (3.5p)  
Share price 158 Yield 3.6  
Dividend payable 25.8.83

Mr Harry Goodman, Intasun's ebullient chairman, was justifiably smiling yesterday. Despite last year's problems in the package holiday trade, including heavy discounting to maintain volumes, Intasun's results were up to expectations. More particularly, prospects for this summer look better.

Intasun, with its new acquisitions, was 24 per cent up on last year. Excluding the new acquisitions leaves the mainstream businesses with an 8 per cent rise. Possibly half that increase, however, is from growth in the company's new venture in coach holidays.

Intasun's figures are flattered by charging over a period of years the financing costs associated with buying a Boeing 737 to add to the Air Europe fleet. Another place is due in the last few days of the current year's balance sheet. The spreading of charges was worth £1.2m in the year just reported.

The advantageous four-year cross-leasing deal with British Airways on the Boeing aircraft acquisition, which keeps four Air Europe aircraft busier during the winter, will not apply to the additional 737.

Intasun, including the new acquisitions such as the expanding Club 18-30, could see a 27 per cent or more improvement this summer, according to Mr Goodman.

This has led the City to expect at least £17.5m in the next full year and probably more. A final dividend of about 4.5p at the minimum could be expected.

Elsewhere in the holiday sector, Horizon has been losing market share as it has stuck to prices.

Cosmos has also been hit although it is one of the beneficiaries in the late booking period.

In April trade estimates put Intasun bookings down 7 per cent while Thomson was 16 per cent up. The question that remains is how Horizon will react especially as Intasun's share price is crossing over that of Horizon. If as seems likely Horizon follows the Thomson trend to keener prices it could increase pressures on Intasun which has profited from being towards the lower end of the price range.

### DPCE

City stages are likely to be in force again this week filing in their applications for the offer for sale by tender of 3,869,000 shares in DPCE Holdings, Britain's largest independent computer maintenance company.

The minimum tender price is 170p, but experience of high-tech flotations suggests that the striking price will be fixed at 200p or above. DPCE has an impressive client base of 47 blue-chip customers and maintains 120 makes of computer equipment. The directors are looking for pretax profits of £1.3m on a turnover of £5.45m in the year which ended on June 30, giving compound growth of 44 per cent in pretax profits and 45 per cent in revenue over the past five years.

Earnings per share after the reorganization will be 7.5p gross. At the minimum tender price the shares on what looks like a fancy 29 times last year's earnings.

However, the DPCE board says it has only small slice of Britain's £200m market for computer maintenance, while there is also growth potential in the US and continental Europe. Longer term shareholders as well as slugs should make money.

The People's Bank of China announces that loans to state enterprises "affecting the national economy" will be fixed at a 7.2 per cent prime rate. Loans to small and outdated firms, or those with low turnover and high debt, will be at more than prime. Could this be the new HMG approach to certain nationalized industries?

### COMPANY NEWS IN BRIEF

● Independent Newspapers: Dublin-based Newspapers plans to make a one-for-four rights issue at 116p a share to raise £23.57m (Irish) after expenses. The board expects to pay an unchanged total dividend of 11p net (11.58p gross) on the enlarged capital.

Glass Glover Group  
Half-year to 31.3.83  
Pretax profit, £495,000 (£492,000)  
Stated earnings, 3.33p (3.54p)  
Turnover, £22.57m (£24.82m)  
Net interim dividend, 1.25p (1.125p).

Gordon & Gotch Holdings  
Year to 31.3.83  
Pretax profit, £1.12m (£1.14m)  
Stated earnings, 11.19p (11.73p)  
Turnover, £35.43m (£35.14m)  
Net dividend, 7.5p (7.5p)

Textured Jersey  
Year to 30.4.83  
Pretax profit, £206,000 (£245,000)  
Stated earnings, 7.15p (13.52p)  
Turnover, £11.34m (£10.84m)  
Net dividend, 4.0p (4.0p)

Tex Abrasives  
Year to 31.3.83  
Pretax profit, £138,000 (£187,000)  
Stated earnings, 4.2p (6.9p)  
Turnover, £3.16m (£4.53m)  
Net dividend, 3.25p (3.25p)

### COMMODITIES

#### LONDON METAL EXCHANGE

Official prices in sterling

Prices in pounds per metric ton

Silver in ounces per fine ounce

Copper in pounds per metric ton

Lead in pounds per metric ton

Zinc in pounds per metric ton

Nickel in pounds per metric ton

Aluminium in pounds per metric ton

Iron in pounds per metric ton

Steel in pounds per metric ton

Gold in pounds per ounce

Platinum in pounds per ounce

Palladium in pounds per ounce

Rhodium in pounds per ounce

Iridium in pounds per ounce

Rosin in pounds per cwt

Castor oil in pounds per cwt

Soyabean oil in pounds per cwt

Wheat in pounds per cwt

Barley in pounds per cwt

Oats in pounds per cwt

Rye in pounds per cwt

Maize in pounds per cwt

Millet in pounds per cwt

Buckwheat in pounds per cwt

Sorghum in pounds per cwt

Amaranth in pounds per cwt

Quinoa in pounds per cwt

Lentils in pounds per cwt

Peas in pounds per cwt

Beans in pounds per cwt

Chickpeas in pounds per cwt

Mustard in pounds per cwt

Sesame in pounds per cwt

Sunflower in pounds per cwt

Flax in pounds per cwt

Hemp in pounds per cwt

Jute in pounds per cwt

Linseed in pounds per cwt

Castor in pounds per cwt

Soyabean in pounds per cwt

Wheat in pounds per cwt

Barley in pounds per cwt

Oats in pounds per cwt

Rye in pounds per cwt

Maize in pounds per cwt

Millet in pounds per cwt

Buckwheat in pounds per cwt

Sorghum in pounds per cwt

Amaranth in pounds per cwt

Quinoa in pounds per cwt

Lentils in pounds per cwt

Peas in pounds per cwt

Beans in pounds per cwt

Chickpeas in pounds per cwt

Mustard in pounds per cwt

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Sunflower in pounds per cwt

Flax in pounds per cwt

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Sorghum in pounds per cwt

Amaranth in pounds per cwt

Quinoa in pounds per cwt

Lentils in pounds per cwt

Peas in pounds per cwt

Beans in pounds per cwt

Chickpeas in pounds per cwt

Mustard in pounds per cwt

Sesame in pounds per cwt

Sunflower in pounds per cwt

Flax in pounds per cwt

Hemp in pounds per cwt

Jute in pounds per cwt

Linseed in pounds per cwt

Castor in pounds per cwt

Soyabean in pounds per cwt

Wheat in pounds per cwt

Barley in pounds per cwt

Oats in pounds per cwt

Rye in pounds per cwt

Maize in pounds per cwt

Millet in pounds per cwt

Buckwheat in pounds per cwt

Sorghum in pounds per cwt

Amaranth in pounds per cwt

Quinoa in pounds per cwt

Lentils in pounds per cwt

Peas in pounds per cwt

Beans in pounds per cwt

Chickpeas in pounds per cwt

Mustard in pounds per cwt

Sesame in pounds per cwt

Sunflower in pounds per cwt

Flax in pounds per cwt

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Lentils in pounds per cwt

Peas in pounds per cwt

Beans in pounds per cwt

Chickpeas in pounds per cwt

Mustard in pounds per cwt



# Gulliver and his expansive travels



The stock market gives Argyll what appears to be a high rating, but much of this is on faith. Few in recent years have found that food distribution and food manufacturing mix well in the same group; hence Fitch

He built his reputation

er meat and butchery business of Louis Edwards, the man who built up both this business and Manchester United. From 1979, this became the genesis of Argyll Foods.

for Linford. But the situation was soon put right when he bought Allied Suppliers, the retailing heart of the old Cavenham business from Sir James Goldsmith's General Occidentale. The price was £101m.

behind him, perhaps it is time to pause and show that what is still an agglomeration of businesses can grow internally. Then it may establish itself as a more permanent addition to the food giants than Cavenham ever proved.

**J. Henry Schroder Wagg & Co. Limited,**  
120 Cheapside,  
London EC2V 6DS.

**L. Messel & Co.,**  
Winchester House,  
100 Old Broad Street,  
London EC2P 2HX.

6th July, 1983

6th July, 1983

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[illegible]



## U.S. \$50,000,000

Société Financière pour les Télécommunications  
et l'Électronique S.A.

Guaranteed Floating Rate Notes Due 1990



Guaranteed by

STET

Società Finanziaria Telefonica per Azioni

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the six months 6th July, 1983 to 6th January, 1984 has been fixed at 10 1/4 per cent per annum and that the coupon amount payable on coupon no. 7 will be U.S. \$523.89.



The Sumitomo Bank, Limited

Fiscal Agent

ENTE NAZIONALE  
PER L'ENERGIA ELETTRICA  
(ENEL)

U.S. \$100,000,000

Floating Rate Debentures due 1989

Convertible at the holders' option into

13% Fixed Rate Debentures due 1992

Guaranteed by the Republic of Italy

In accordance with the provisions of the Debentures, notice is hereby given that for the six month interest period from 5th July, 1983 to 5th January, 1984, the Debentures will carry an Interest Rate of 10 1/4 per cent per annum and that the interest payable on the relevant Interest Payment Date, 5th January, 1984 against Coupon No. 3 will be U.S. \$527.08.



The Sumitomo Bank, Limited

Fiscal Agent

U.S. \$50,000,000  
Hapoalim International N.V.

Guaranteed Floating Rate Notes 1987

For the six months

6 July 1983 to 6 January 1984

The Notes will carry an

Interest rate of 10 1/4 per annum

Coupon Value US\$523.89

Listed on The Stock Exchange, London

Agent Bank - National Westminster Bank PLC, London

The above notice was incorrectly published

in The Times on July 4th, 1983

U.S. \$42,000,000

Short-term guaranteed Notes

issued in Series under a

U.S. \$280,000,000

Note Purchase Facility

by

Mount Isa Mines

(Coal Finance) Limited

Notice is hereby given that the above Series of Notes issued under a Production Loan and Credit Agreement dated 30th March, 1983, carry an Interest Rate of 10 1/4 per annum.

The Issue Date of the above Series of Notes is 7th July, 1983 and the Maturity Date will be 9th January, 1984.

The Euro-clear reference number for this Series is 1681 and the Cedit reference number is 309019.

Manufacturers Hanover Limited

Issue Agent

6th July, 1983.

Series 004

## Financial notebook

Rossminster lessons  
remain unlearned

By the time leading counsel and the attorney-general had persuaded the Inland Revenue not to prosecute the principals in the Rossminster affair, both the idea of criminal charges and indeed Rossminster itself had become irrelevant. And what a relief that is for anyone who cares about a decent society free from Italianate cant, in which laws apply to all.

Criminal proceedings were an irrelevance because the Inland Revenue achieved its objectives more satisfactorily through the courts. Rossminster is an irrelevance because those court decisions put an end, for the time being at least, to the game of its ultimately anti-social business.

People have always sought to minimize tax. But in the permissive world of the 1960s and 1970s with tax rates sometimes at absurdly high nominal levels, it became a half-accepted feature of individualism to use any means to thwart the will of Parliament and dodge your dues.

The poor used the illegal black economy.

Householders were proud of saving money by cash-only payments. The rich and the big corporations could afford tax experts to do the job within the letter of the law.

Mr Roy Tucker was one of the most brilliant tax experts of them all. The Rossminster group, which he created with fellow accountant Mr Ronald Plummer, converted artificial tax avoidance schemes from a cottage industry to the production line, complete with sophisticated marketing, standard packages and even a sort of warranty.

A typical Rossminster fill-in-the-blanks package might involve 25 transactions, carried out in precise order over a seven-day period. They used hundreds of cardboard companies, making nonsense of the legitimate use of companies to limit liability.

They used the opinions of leading tax counsel as sales literature, leading some to ponder the bar's professional morality. And one scheme at least made use of charitable status, passing £50m through a small charity, of which little was left genuine charitable purposes. The would-be clients queued up, from pop-stars to politicians.

Others were in the game, but Rossminster, because the unacceptable face of avoidance for the Inland Revenue which feared it had lost hundreds of millions in taxes. They pursued their criminal investigation through the famous dawn raids mainly because they feared they would get nowhere in civil courts, which tended to take an exquisitely subtle, but almost exclusively literal, reading of the law.

They did challenge the schemes through the civil courts, as much to make life difficult for Rossminster and its clients as for any hope of success. The civil court was the right place, for Messrs Tucker, Plummer and co intended to act within the law. Criminality would have been an oversight.

In the event, the Law Lords reversed their usual stance in the case of *W. T. Ramsay*. They ruled in effect that they would look through highly artificial schemes involving transactions that had no basis in reality, thus thwarting the aim of eliminating tax. This has forced all but one of the Rossminster schemes and left a lot of clients facing nasty assessments from the Revenue.

## THE KINGDOM OF DENMARK

U.S. \$250,000,000

Floating rate Notes due 1990

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the next Interest Period has been fixed at 10 1/4 per cent per annum. The Coupon amount of U.S. \$250,000,000 for the U.S. \$250,000,000 denomination will be payable on 8th January, 1984 against surrender of Coupon No. 2.

Manufacturers Hanover Limited

Agent Bank

Base  
Lending  
Rates

ABN Bank	9 1/2 %
Barclays	9 1/2 %
BCCI	9 1/2 %
Consolidated Cds	9 1/2 %
C. Hoare & Co	9 1/2 %
Lloyds Bank	9 1/2 %
Midland Bank	9 1/2 %
Nat Westminster	9 1/2 %
TSB	9 1/2 %
Williams & Glyn's	9 1/2 %

\* 7 day deposits on basis of London Call rate, plus 100,000 up to £500,000, plus 100,000 and over, plus.

Dome calls in Shell  
chief for recovery

From Patricia Best, Toronto

Cash-starved Dome Petroleum, the leading Canadian oil and gas company, that was saved from bankruptcy almost a year ago, still has a long way to go if it is to return to normalcy.

This problem now becomes the task of Mr John Howard MacDonald, a 55-year-old group treasurer from Royal Dutch Shell, who was given the top executive job at Dome at the company's annual meeting.

He replaces the colorful Mr Jack Gallagher, a pioneer in Canadian oil development for decades.

Mr MacDonald said he has had very little experience with the Canadian oil industry but he believes he had the qualifications to run one of the country's most politically sensitive corporate groups.

"My main strength has been in financial matters," he said and that is clearly why Dome's board hired him. Mr Gallagher had the misfortune of witnessing the company's fall in a morass of huge debt last year. He denies rumours that he was squeezed out of the chief executive's role by the company's bankers. He will remain on the board.

Dome's bankers say that the company needs \$1bn in fresh equity in order to develop normally and they believe the capital will have to come from the federal government and themselves. The refinancing is expected to take place in September. The \$1bn injection would be net of any debt principal repayment.

Many Dome shareholders oppose this because this because it could give the banks and the Canadian federal government virtual control over the company.

There is a lot of talk about another financing scheme but

the practical world is a very different one. A large part of Dome's debt is demand if we choose to make it demand," Mr William Mulholland, chairman of the Bank of Montreal, said. "Refinancing of Dome outside the (bank-out) agreement is not feasible without formal extension of the term of that debt."

Some ran into trouble as a result of an overly ambitious acquisition of Hudson's Bay Oil & Gas, which was accomplished largely through bank borrowing. The \$1bn refinancing figure was calculated by an independent technical review of the company's reserves and production capability.

Although Dome has so far kept up with its interest payments, the banks have concluded that Dome would be better off with additional equity as proposed in the original bank-out agreement.

Financial analysts appear unanimous in their view that Dome could not hope to raise anything like \$1bn from the Canadian public. Investors who participated in a previous issue floated by Dome Canada in early 1981 are likely to recall that the \$10 shares are now trading at \$6.

Dome's financial health is gradually improving because of the company's cost cutting efforts and a decline in interest rates. Much of Dome's \$6.5bn load is being rolled over on a monthly basis. But the company still has severe problems with a \$2.5bn working capital deficiency and a negative cash flow.

The company is expected to be profitable in 1983 but it has taken a \$21.4m writedown on its US properties and has reported a \$369.3m loss for 1982.

## intasun leisure group

## 1982/83 HIGHLIGHTS

	Years ended 31st March	
	1983	1982
	£000	£000
	(Unaudited)	
Turnover	141,658	114,118
Profit before taxation	14,577	14,075
Profit after taxation	12,530	10,138
Shareholders' funds	25,884	22,164
Assets employed	77,130	56,947
Earnings per share	24.3p	19.6p
Dividends per share	4.0p	3.5p

\* Record pre-tax profit of £14.5m compared with £14.1m for 1982.

\* Final dividend of 2.6p net giving an increased total of 4.0p net (1982: 3.5p net).

\* Intasun Travel pre-tax profit £7.7m (1982: £8.7m). May, June 1982 margins affected by Falklands conflict. Air Europe pre-tax profit £6.8m (1982: £5.4m).

\* Intasun Travel division carried 590,000 passengers, up 26% over 1982 and achieved a load factor of 94% (1982: 95%).

\* Air Europe carried 1,258,000 passengers, up 26% over 1982.

\* At the end of June, Intasun Travel division Summer 1983 bookings totalled \$44,000. This represents a real increase of 24% over the same period in 1982 for the division as presently constituted.

## Forecast

While directors consider it too early to make a firm forecast, they would be disappointed if, in the absence of unforeseen circumstances, the Group pre-tax profit for the year to 31st March 1984 did not exceed that achieved last year.

Copies of the Annual Report may be obtained from the Secretary, Intasun Leisure Group public limited company, Intasun House, Cromwell Avenue, Bromley, Kent BR2 9AQ from 27th July 1983.

Coca-Cola Bottling of New York  
Finance N.V.

Curacao, Netherlands Antilles

Notice of Redemption to Holders of  
6 1/2 % Convertible Subordinated Debentures  
due August 15, 1993

Pursuant to Article Eleven of the Indenture dated as of August 15, 1978 among Coca-Cola Bottling of New York Finance N.V., The Coca-Cola Bottling Company of New York, Inc., and Morgan Guaranty Trust Company of New York, as trustee ("Trustee"), as amended by the First Supplemental Indenture dated August 13, 1981, EACH DEBENTURE WILL BE REDEEMED ON THE DATE, AT THE PRICE AND ON THE TERMS SPECIFIED BELOW:

REDEMPTION DATE: August 15, 1983

REDEMPTION PRICE: \$1,030.00 per Debenture  
DEBENTURES TO BE REDEEMED: All outstanding Debentures  
INTEREST; COUPONS:

On the Redemption Date, the Redemption Price together with any accrued interest will become due and payable upon each Debenture redeemed. The coupon for each Debenture which matures on August 15, 1983 shall be detached and presented for payment in the usual manner. After the Redemption Date interest shall cease to accrue on each such Debenture and coupons maturing after such date shall be void.

## HOW TO REDEEM:

Debentures, together with all coupons appertaining thereto maturing after the Redemption Date, are to be surrendered for payment either by hand delivery or by mail, to the Corporate Trust Office of the Trustee in the Borough of Manhattan, The City of New York, the main office of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt/Main, London, Paris and Zurich, Banque Bruxelles Lambert S.A. in Brussels, Banque de l'Indochine et de l'Extrême Orient in Paris, J. Henry Schroder Wagg & Co. Limited in London, Swiss Bank Corporation in Zurich, Westdeutsche Landesbank Girozentrale in Düsseldorf, Banque Internationale à Luxembourg and Bank Morgan Labouchere N.V. in Amsterdam, along with the name (and address) in which the cash shall be issued.

## CONVERSION:

As a result of certain mergers of which the Debentureholders were previously notified and pursuant to the First Supplemental Indenture, EACH DEBENTURE IS CONVERTIBLE INTO THE RIGHT TO RECEIVE \$1,155.54 IN CASH, without any interest accumulated thereon.

## TERMINATION OF CONVERSION:

The right to convert Debentures for \$1,155.54 in cash per Debenture will terminate at the close of business on August 10, 1983. Debentureholders who cannot or will not be entitled to payment of any interest accrued on the Debentures since August 15, 1982, Debentures surrendered between August 11 and August 14, 1983 will not be converted but will be held for redemption at a rate of \$1,030.00 per Debenture on August 15, 1983.

## HOW TO CONVERT:

Holders who desire to convert such Debentures into cash at the rate of \$1,155.54 per Debenture may do so by tendering such Debentures in the same manner described above as Holders who wish to redeem Debentures, provided such Debentures are accompanied by a written notice requesting such conversion and stating the name (with address) in which the cash shall be issued.

As a result of the foregoing, Debentureholders have a right to:

- (1) surrender their Debentures for redemption on or after August 15, 1983 and receive \$1,030.00 per Debenture; or
- (2) convert their Debentures on or before the close of business on August 10, 1983 and receive \$1,155.54 per Debenture.

COCA-COLA BOTTLING  
OF NEW YORK FINANCE N.V.

July 6, 1983.

## J. ROTHSCHILD INVESTMENT HOLDINGS B.V.

(Incorporated with limited liability in the Netherlands)

## £12,000,000 14 1/2 % Guaranteed Bonds 1990

In accordance with the Terms and Conditions of the Bonds, notice is hereby given that £800,000 principal amount has been selected for redemption on August 15, 1983.

The serial numbers of the Bonds drawn for redemption are as follows:—

39	410	1009	1579	2339	3579	3985	4506	5107	5585	6157	6592	7110	7606	8113	8639	9134	9580	10163	10542	11688
44	425	1028	1587	2340	3584	3985	4513	5125	5616	6168	6600	7115	7617	8115	8643	9139	9584	10169	10564	11696
80	431	1030	1608	2358	3601	3974	4521	5134	5648	6189	6608	7118	7628	8125	8671	9152	9608	10185	10585	11715
86	480	1045	1633	2377	3617	3979	4537	5155	5662	6173	6612	7117	7634	8147	8672	9175	9611	10201	10601	11728
97	485	1060	1665	3185	3618	4004	4541	5212	5659	6174	6617	7131	7643	8150	8679	9203	9641	10203	10678	11734
109	468	1075	1687	3192	3619	4020	4580	5221	5661	6198	6622	7184	7648	8151	8680	9216	9662	10204	10595	11778
122	496	1097	1698	3194	3627	4030	4600	5276	5673	6220	6632	7208	7675	8174	8683	9218	9680	10220	10631	11781
141	500	1105	1759	3202	3628	4041	4628	5281	5674	6243	6634	7212	7679	8189	8685	9219	9682	10240	10646	11783
159	517	1127	1764	3219	3644	4056	4631	5302	5687	6248	6645	7218	7684	8228	8696	9227	9688	10248	10663	11816
161	536	1173	1783	3223	3659	4111	4639	5312	5700	6276	6674	7234	7725	8238	8726	9232	9690	10250	10665	11832
171	558	1216	1792	3233	3662	4119	4648	5313	5732	6278	6674	7234	7725	8238	8726	9232	9690	10250	10665	11832
183	570	1226	1807	3234	3665	4127	4658	5324	5745	6298	6678	7244	7731	8248	8734	9250	9725	10301	10716	11886
192	583	1253	1813	3248	3678	4130	4662	5329	5748	6299	6679	7250	7736	8258	8750	9256	9722	10302	10718	11895
198	584	1284	1833	3260	3687	4131	4663	5333	5758	6321	6678	7258	7740	8264	8758	9271	9728	10306	10720	11893
201	612	1320	1834	3268	3694	4144	4678	5340	5803	6322	6674	7268	7751	8268	8772	9277	9735	10328	10737	11934
219	620	1347	1815	3270	3704	4188	4686	5344	5818	6326	6678	7268	7750	8268	8770	9285	9735	10338	10736	11942
231	627	1349	1819	3278	3716	4187	4718	5368	5828	6341	6678	7271	7750	8268	8778	9285	9734	10335	10738	11953
232	638	1351	1821	3287	3722	4208	4747	5389	5834	6350	6679	7241	7753	8239	8719	9308	9610	10358	10759	11978
254	673	1383	1927	3316	3729	4215	4748	5377	5880	6362	6674	7246	7759	8235	8827	9310	9630	10375	10775	11988
267	688	1405	1975	3325	3777	4219	4760	5378	5883	6367	6679	7261	7831	8345	8828	9323	9639	10379	10788	11992
284	693	1407	2010	3329	3778	4227	4765	5405	5881	6368	6680	7285	7872	8381	8828	9327	9681	10398	10791	
297	718	1417	2038	3333	3785	4233	4771	5407	5915	6385	6681	7302	7877	8406	8840	9330	9690	10405	10822	
373	786	1431	2028	3333	3778	4239	4841	5408	5938	6387	6687	7305	7895	8407	8852	9365	9628	10404	10822	
277	769	1437	2048	3338	3830	4255	4854	5414	5948	6392	6688	7306	7898	8438	8857	9371	9642	10410	10845	
279	788	1438	2048	3363	3831	4268	4865	5417	5947	6421	6684	7413	7911	8444	8880	9391	9657	10414	10852	
282	780	1442	2072	3401	3842	4274	4887	5421	5979	6428	6685	7414	7973	8442	8907	9435	9688	10484	10860	
287	805	1490	2077	3425	3867	4278	4923	5422	5982	6444	6688	7425	7988	8488	8916	9455	9690	10468	10868	
307	845	1532	2088	3445	3885	4283	4958	5437	5998	6472	6692	7437	7997	8497	8925	9469	9695	10495	10893	
312	861	1455	2086	3448	3882	4285	4951	5436	5943	6476	6691	7434	7982	8517	8940	9471	9694	10473	10890	
318	873	1458	2091	3471	3885	4289	4952	5443	5952	6498	6691	7453	8001	8521	8959	9478	9635	10486	11001	
315	874	1467	2093	3475	3891	4290	4965	5470	6067	6523	6693	7481	8014	8550	9009	9479	10045	10493	11023	
321	882	1475	2086	3488	3900	4320	4963	5474	6084	6538	6698	7486	8026	8552	9040	9497	10059	10495	11024	
328	840	1486	2119	3491	3918	4342	4988	5490	6065	6539	6693	7490	8037	8554	9042	9528	10088	10500	11027	
331	885	1485	2130	3512	3922	4435	5016	5608	6085	6545	6893	7513	8042	8558	9043	9640	10083	10504	11028	
340	886	1523	2188	3521	3929	4537	5025	5627	6088	6568	6891	7512	8043	8568	9068	9641	10112	10511	11030	
347	894	1541	2198	3532	3935	4548	5035	5635	6096	6576	6892	7513	8044	8569	9069	9642	10113	10512	11031	
353	893	1549	2175	3550	3934	4398	5058	5571	6115	6579	6703	7549	8051	8591	9076	9644	10117	10528	10606	
371	894	1565	2184	3563	3951	4398	5089	5581	6140	6581	7085	7585	8089	8631	9101	9553	10130	10537	10608	
382	1007	1568	2226	3676	3963	4448	5100	5582	6160	6590	7088	7588	8112	8636	9108	9558	10132	10541	11961	



**GRE**

The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. Persons receiving this Prospectus are required by the Fund and GRE International Investment Managers Limited (the "Managers") to inform themselves of and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

No person has been authorized to give any information or to make any representation, other than those contained in this Prospectus, in connection with the offering of Shares. If any person has made, or may make, such information or representation, it should not be relied on as having been authorized by or on behalf of the Manager. The delivery of this Prospectus or the allotment or issue of Shares does not imply that there has been no change in the affairs of the Fund since the date hereof.

The Shares have not been registered under the United States Securities Act of 1933. Except in a transaction which does not violate the Act, they may not be directly or indirectly offered or sold in the United States of America, or any of its territories, possessions or areas subject to its jurisdiction or to or for the benefit of a national or resident of the United States of America (including its territories, possessions and all areas subject to its jurisdiction), through any person, firm or corporation, partnership or other entity created or organized under the laws of the United States of America or any political subdivision thereof.

All references to "meeting," "A" and "B" are to the currency of the United Kingdom.

**GRE Managed Currency Fund Limited**

**Initial Offer for Subscription of up to 10,000,000 Participating Redeemable Preference Shares of 1p each (the "Shares") at £10.00 per Share payable in full on application.**  
**Minimum Investment £500**

At 4th July 1983 the Fund had no loan capital (including term loans) outstanding, or created but unissued, borrowings or indebtedness in the nature of borrowing outstanding, including bank overdrafts and liabilities under acceptances, acceptance credits, mortgages, charges, hire purchase commitments, guarantees and other material contingent liabilities.

**Applications and Allotments**  
Applications can be made on the Application Form that accompanies this Prospectus, or by telex in the form prescribed under "Application Procedure for Initial Offer".  
The subscription lists for the initial offer will open at 10.00 am on 20th July 1983 and will close at 11.00 am on the same day.  
Application monies received before 20th July 1983 will be placed upon deposit and any interest earned will be retained for the benefit of the Fund.  
Dated 5th July 1983

<i>Authorised</i>		<i>Issued and fully paid</i>
£100	Management Shares of £1 each	£100
£100,000	Unclassified Shares of 1p each	—

**LEGAL ADVISERS**  
*In Jersey*  
Perrier & Labasse, Piermont House, 35 Pier Road,  
St Helier, Jersey, Channel Islands.  
David Morgan, Whitehead & Co., Waverley Chambers,  
30 Dean Street, St. Helier, Jersey, Channel Islands.  
*In England*  
Linklaters & Paines, Barrington House, 59-67 Gresham Street,  
London EC2V 7JA.

The objective of the Fund is to realize gains in the capital value of its Shares through the investment of its assets in bank deposits, money-market instruments and other short-term securities domiciled in a selection of major currencies (including, at its option, sterling). Capital growth will thus be provided by the reinvestment of income within the Fund.

Investment will be made in accordance with the following guidelines:

- (a) The Fund will invest no more than 10% of its net assets in less than \$3,000 amounts (or equivalent of such limits) in any one issuer;
- (b) No more than 10% of the Fund's net assets shall be invested in any one country or geographical area (excluding the UK);
- (c) Investment in securities and investments of any corporate bodies (or borrowers considered by the Directors as being of similar standing) will be limited to those which are rated "A" rating by Moody's or Standard and Poor's rating services (or borrowers considered by the Directors as being of similar standing).

The Fund may also invest in government securities, bonds, debentures, notes, commercial paper, structured finance instruments issued by sovereign or local authority or state public utility or supranational agencies so may be approved by the Directors) will under no circumstances exceed 10 per cent of the net asset value of the Fund at the time the investment is made.

The prospects for movements in interest rates and currencies will be closely monitored, and decisions made in the light of the Fund's policies in order to take advantage of opportunities to both protect and increase their value in sterling.

In order to allow redemptions of the Fund's Shares to be made without the need for premature realizations of investments, the Fund will normally maintain a minimum of 20 per cent of its assets at 7 days notice or less.

The investment policy adopted by the Managers will normally provide a diversified portfolio of investments, it must be recognized that the value of the Fund's Shares can go down as well as up.

No dividend will be paid on the Fund's Shares. All income of the Fund will be accumulated and the Share price will be adjusted to reflect each day's accrued income.

and not be entitled to exercise the rights of a shareholder in the Company, if the person is not qualified to hold such Shares under the laws of the country of which such person is not qualified to hold such Shares.

GRE International Investment Managers Limited (the "Managers") have been appointed to manage the Fund. The Managers are a wholly-owned subsidiary of Royal Exchange Assurance, which is itself a wholly-owned subsidiary of Guardian Royal Exchange Assurance plc ("GRE"). GRE is one of the largest and longest-established insurance groups in the world, with a long and successful history of providing a wide range of insurance and investment services to clients in the United Kingdom and throughout the world. GRE's investment management business is one of the largest in the world, with a long and successful history of providing a wide range of investment services to clients in the United Kingdom and throughout the world. GRE is a member of the Financial Markets Foundation for Children, a charity that supports the education and development of children in developing countries. GRE is also a member of the Financial Markets Foundation for Children, a charity that supports the education and development of children in developing countries. The Managers will have full access to GRE's extensive economic analysis and investment research facilities.

The Fund has appointed National Westminster Jersey Trust Company Limited as its Custodian. The Custodian is a wholly-owned subsidiary of National Westminster Bank PLC.

The function of the Custodian is limited to holding (either itself or through agents) the assets of the Fund and dealing with them in accordance with the instructions of the Directors and the Managers.

value of the net assets of the Fund at the last Valuation Day of each calendar month. This will be deducted from the gross assets of the Fund. See also "Mutual Contract" under "General Information". The Manager's out of pocket expenses incurred in connection with the services rendered by the Manager to the Fund will be paid to the Royal Trust Company of Canada (Ct.) Limited for credit advance to the Manager as Administrator.

The Commission will receive from the Fund a subsidy fee at an annual rate of 0.15 per cent of the net assets of the Fund (up to \$5,000,000) as at the last Valuation Day in each month, 0.10 per cent of the balance over \$5,000,000, but not exceeding \$250,000.00. The Commission will also receive from the Fund a fee of 0.10 per cent on the net assets of the Fund in excess of \$5,000,000. The Fund will reimburse the Commission for all out of pocket expenses incurred in the provision of services to it. The Commission's fee is subject to review with effect from July 1994 and every two years thereafter.

Application for Shares may be made on any business day in Jersey ("Dealing Day") by telefax in the prescribed form, or an application form accompanying the outstanding prospectus which will be available from the Managers after the Initial Offer. The application must be made by the person named in the prospectus or by a duly authorised agent of that person. In respect of applications made by way of telegraphic transfer, Shares will only be allotted against money by the Manager in cleared funds. In the event of an application for Shares being made by way of telegraphic transfer, it is recommended that payments of amounts amounting to £250,000 should be made by telegraphic transfer to the Managers in cleared funds at the Managers' banking, 11.00 a.m. on the relevant Dealing Day.

The price at which Shares will be allotted will be based on the net asset value of the Fund, less "Grosses and Reimbursements of Expenses" under "General Information".

Following allocation a contract note specifying the number of Shares allotted and their price will be despatched to the Shareholder. Share certificates will normally be despatched within 28 days.

the price at which Shares are redeemed will be the redemption price calculated by reference to the value, with costs taken into account, of the net assets of the Fund at the close of the business day immediately preceding each daily Dealing Day ("Valuation Day").

Redemption of Shares. Shares must be given in writing to the Managers specifying the number of Shares to be redeemed, and the payment instructions for the redemption proceeds. Redemption instructions must be accompanied by the relevant share certificate with the request for redemption on its reverse completed and signed. Instructions received after 3.00 pm on any Dealing Day in Jersey will be held over until the following Dealing Day.

Redemption of Shares. If the redemption proceeds of Shares are to be paid by cheque to the shareholder at his registered address in Jersey, the cheque must be sent by registered post to the shareholder, and must be received by the shareholder at his agent. This will constitute place within 7 days of the Dealing Day on which redemption takes effect.

required, redemption proceeds of more than £10,000 may be paid by telegraphic transfer at the shareholder's expense.

partial redemption of Shares may be refused if, as a result of such redemption, an investor would become the holder of less than an aggregate of 100 Shares or 1% of the net assets of the Fund as at the end of the Dealing Day.

Redemption of the Fund may suspend valuation of assets at any time if, in their opinion, it is not reasonably practicable to do so. The Fund may suspend valuation of assets at any time if, in their opinion, it is not reasonably practicable to do so. The Fund may suspend valuation of assets at any time if, in their opinion, it is not reasonably practicable to do so. The Fund may suspend valuation of assets at any time if, in their opinion, it is not reasonably practicable to do so.

The Fund to dispose of investments or to satisfy determine the value of the net assets, or if it becomes aware in any of the above circumstances that it is necessary to do so. The Directors will use their best endeavours to cause notice of such a suspension to be given to the shareholders as soon as possible.

Prices of Shares will be published daily in the "Offshore Funds" section of the *Financial Times*. Prices will also be available to the Managers during business hours. In normal circumstances subscription and redemption prices will be the same on any trading Day.

reports on the Fund will be sent half-yearly to shareholders in May/June and November/December of each year. The first report on November/December will include a copy of the Fund's annual audited accounts to 30th September. The first financial period of the Fund will be from the date of incorporation to 30th September 1984.

The Annual General Meeting of shareholders will be held each year in Jersey and shareholders will be given at least 14 days notice of the meeting. Shareholders may either attend in person or complete and return the form of proxy which will be sent with the notice.

[illegible]

The Fund is not bound to redress on any Doubtful Day more than one-fifth of the total number of Participating Shares then in issue.

The remaining subscription amounts payable to the Fund are:

**Consideration for Shares**

If the value of the Fund's assets shall at each Valuation Day within a period twenty-one consecutive weeks be less than £2,000,000, the Fund may redress all or part of the subscription amounts then due to the Fund by advancing subscription payments.

All the Participating Shares not redeemed will be redeemed by the Fund on the 31st December 2003, or, if that date is not a business day, on the next following business day at the redemption price ruling on the redemption day.

**Certification**

Certificates for Participating Shares will be in registered form.

**Options**

No share or loan capital of the Fund is under option or agreed unconditionally or contingently to be so at any future option.

**Share and Loan Issues**

Save for the Management Shares, which are owned by the Managers, no share or loan capital of the Fund has been issued or agreed to be issued fully or partly paid-up for cash, or otherwise due for payment by the Fund.

No share or loan capital of the Fund has been issued or agreed to be issued for cash or otherwise for cash or otherwise or other special services have been granted or are payable by the Fund in connection with the issue or sale of any capital of the Fund.

**Directors' Remuneration and Interests**

Unless any small director is authorized from time to time by the Fund in General Meeting, each Director shall be entitled to remuneration as an amount not exceeding £1,000. The Directors may also be reimbursed for expenses incurred by them in the discharge of the duties of the Fund and may receive remuneration for special services.

Any Director may act as a professional adviser for the Fund (either thus as an adviser or otherwise) and may receive remuneration for such services.

Any Director shall not be disqualified by his office from contracting with the Fund, and any contract so made by him for or on behalf of the Fund shall not be voidable on account of the Director's office.

Should in any contract made by the Fund in the Articles of Association, a Director may not vote in respect of any contract or arrangement in which he is adversely interested.

Should in any contract made by the Fund in the Articles of Association, a Director may not vote in respect of any contract or arrangement in which he is

**Voluntaries of Assets**

The Articles of Association provide that assets of the Fund shall be valued on the Valuation Day, at the full present market value in comparison where after then certain assets, converted to sterling at such exchange rate as the Directors shall consider appropriate.

**Expenses**

The ordinary expenses incurred on the formation of the Fund, its listing on The Stock Exchange, and the first year's preliminary expenses are estimated to amount to £100,000 and will not be paid by the Fund. It is intended to write down expenses of over a period of 5 years from the incorporation of the Fund. The Fund will incur certain expenses of the Commission specified in the Commission Agreement, and the expenses of the Fund will be met by the Commission Agreement, the later including audit and legal fees and expenses in relation to the acquisition, holding and sale of the Fund's shares, the provision of accounts and reports to shareholders, the publication of the prices of participating shares.

**Material Contracts**

The following contracts, which are or may be, of particular interest, have been entered into otherwise than in the ordinary course of business—

(a) **Commission Agreement** between the Fund and the Managing Director (i) on 1st July 1981, whereby the latter have agreed to manage the business of the Fund and to procure the advice of ORSA in relation to the purchase and sale of shares in the Fund;

(b) **Commission Agreement** between the Fund, the Managers and the Commission dated 1st July 1983, whereby the latter has agreed to act as Commission in relation to the assets of the Fund.

**Place of Incorporation**

The Fund has not established, and does not intend, establishing, a place of business in Great Britain and has not carried on any business between the date of its incorporation and the date of issue of this Prospectus.

**Liquidation**

The Fund is not engaged in any liquidation or administration and the Directors are not aware of any liquidation, administration or claims pending or threatened against the Fund.

**Miscellaneous**

1. **Company & Lyford** have signed and have not withdrawn their written consent to the issue of this document with their report included in the form set out in the prospectus.

# GRE Managed Current

When completed this application form must be sent to GRE International Investment Managers Limited, P.O. Box 394, Royal Trust House, Colman Street, St. Helier, Jersey, Channel Islands. Telephone Jersey (0634) 27441 Telex 4182651

**Middleman Investment \$500**

This minimum investment amount applies to both the initial investment and to each subsequent investment that may be made.

**The GRE Managed Currency Fund Limited (the "Fund")**

I/We hereby apply for Participating Shares of the Fund subject to its Memorandum and Articles of Association and the Prospectus dated 24 July 1983—

Amount to be invested	£
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(a) *Where Applicants Only:* I/We endorse a cheque/bank's draft payable to GRE International Investment Managers Limited.

*Confirmation of Telex Applications Only:* I/We confirm the payment of the above amount will be made to New Westminster Bank PLC, 23 Broad Street, St. Helier, Jersey, Channel Islands for account of GRE

[illegible]

**THE FUND** offers investors a means of investing in the international currency markets without the difficulties and complexities normally associated with this type of investment.

The minimum subscription of only \$500 brings this type of investment within the reach of the majority of investors.

The Fund, which is based in Jersey, can issue and redeem its Shares at prices based on underlying net asset value, and therefore operates in a similar way to a unit trust or mutual fund.

The Fund will be invested in a high-quality managed portfolio of bank deposits, money market instruments and other short-term securities denominated in the major currencies (including, where appropriate, sterling).

Investors in the Fund will have access to wholesale rates of interest that are normally only available to professional investors able to commit very substantial amounts of money.

Under normal circumstances, it is anticipated that the Fund will pay no tax on its income.

All income will be accumulated (or "rolled-up") within the Fund in order to produce growth in the value of the Fund's Shares.

Close monitoring of the prospects for exchange and interest rate movements in all the major currencies will be undertaken on the investor's behalf, and the Fund's investments will be switched between currencies in order to take advantage of opportunities to increase and protect the value of the Fund's Shares in sterling terms.

The investment expertise of the GRE Group will be available to the Managers. The GRE Group is one of the largest and longest-established insurance groups in the world, with more than \$4,500 million of assets under management world-wide of which over \$1,800 million is invested outside the UK.

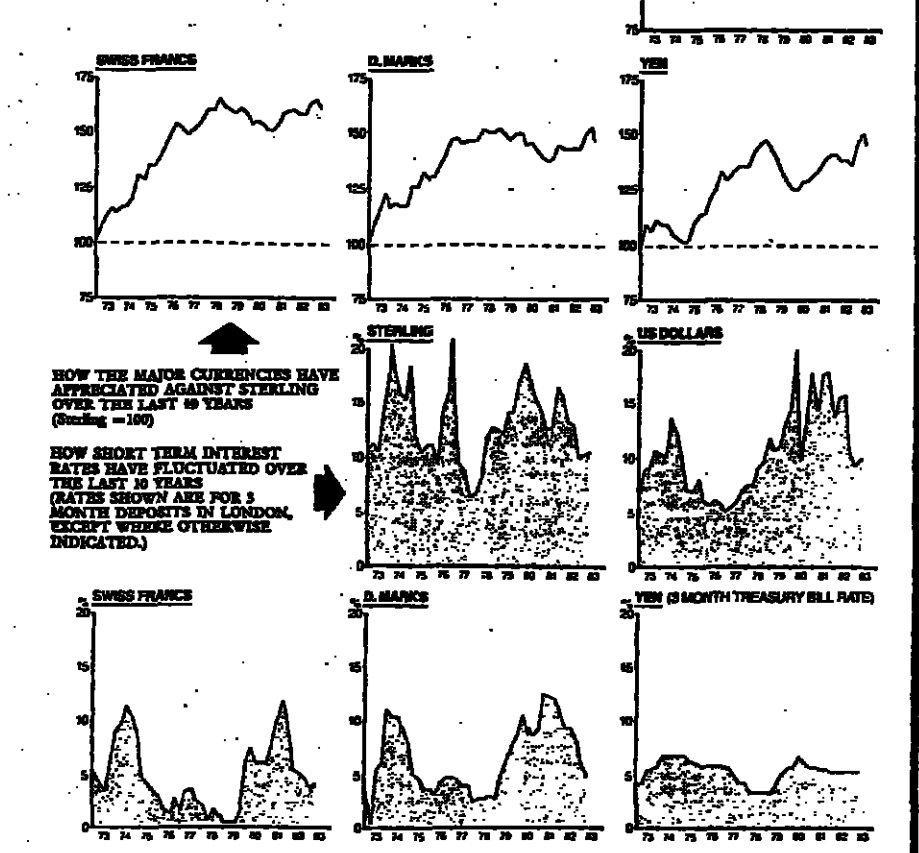
Investors will have quick access to funds. Shares can be redeemed on any business day in Jersey, with settlement normally being made within 7 days.

No initial charge will be made. A recurring annual management charge of 2 per cent will be made.

The movements of both exchange and interest rates over the last 18 years are illustrated in the chart below.

Year	Exchange (%)	Interest Rates (%)
1968	0	0
1969	-10	5
1970	-20	10
1971	-10	15
1972	0	20
1973	10	25
1974	25	30
1975	15	35
1976	10	40
1977	0	45
1978	-10	50
1979	-20	55
1980	-10	60
1981	0	65
1982	10	70
1983	20	75
1984	30	80
1985	40	85
1986	45	90

GRE Managed Currency Fund Limited, which will be free to switch its investments from currency to currency in anticipation of exchange and interest rate movements, aims to use these changing relationships to the investor's advantage and provide an attractive level of capital appreciation from both currency gains and the "rolling-up" of interest within the Fund.



The Comptroller of Income Tax in Jersey has confirmed that income of the Fund arising outside Jersey and deposited interest receivable in Jersey, will be exempt from Jersey income tax. The Fund's liability to Jersey taxation is, therefore, limited to capital gains tax.

It is the intention of the Directors to place money on deposit (or hold securities) where interest accruing thereon will be paid to the Fund free of withholding tax.

Jersey does not levy any taxes upon capital, labor income, capital gains, net or otherwise, nor does it have any estate duties. No money may be paid to or received by the Fund, transferred or reassignment of Shares in the Fund.

The Directors intend conducting the Fund's affairs in such a manner that it will not be resident in the United Kingdom or Jersey for tax purposes.

Guernsey has been obtained from the Board of Inland Revenue of the United Kingdom under Section 464 of the Income and Corporation Taxes Act, 1970 that the provisions of Section 460 of that Act (concessions of tax advantages from certain transactions in securities) will not apply.

For United Kingdom tax purposes, the proceeds on redemption of Shares do not, subject to mentioned below, constitute taxable income or receipts attributable to dealings in securities, but any profits realized by a person resident or ordinarily resident in the United Kingdom, or carrying on a trade in the United Kingdom through a branch or agency, may, depending on their individual circumstances, be subject to tax on capital gains.

The United Kingdom Government withdrew its objection to the Fund's application for a license pursuant to the Finance Act 1953, which would have to have come into force in 1964. If re-introduced in a similar form as at future dates the provisions may in certain circumstances subject companies resident in the United Kingdom to tax on the profits of the Fund. The United Kingdom Government has indicated that it would not object to the Fund's application for a license in the United Kingdom. The draft legislation was such that it would only apply to the United Kingdom company if its interest (together with the interests of persons connected or associated with it) in the overseas company was 10% or more.

The situation of individuals ordinarily resident in the United Kingdom is drawn to the provisions of Section 478 of the Finance Act 1953. The United Kingdom Government has indicated that it would not object to the Fund's application for a license to avoid income tax by individuals by transactions resulting in the transfer of income to persons (including companies) abroad and may render them liable to taxation in respect of undistributed income and profits of the Fund.

The content of the Finance and Economics Committee of the States of Jersey under the Control of Borrowing (Jersey) Order 1951 is contained in the Appendix to the Prospectus. The Finance and Economics Committee of the States of Jersey has advised the Advisory and Finance Committee of the States of Guernsey under the Control of Borrowing (Bailiwick of Guernsey) Ordinance 1959 and 1970 has also been obtained for this issue. It must be distinctly understood that in giving these consents the States of Jersey and Guernsey are not making any financial statement of any scheme or for the convenience of any persons named or opinions expressed with regard to them.

The mention of Jersey residents in drawn to the provisions of Article 134A of the Income Tax (Jersey) Law 1961 which may in certain circumstances render a resident liable to income tax on undistributed income and profits of the Fund attributable to his Shares.

Respective investors should ascertain from their professional advisers the consequences to them of acquiring, holding or disposing of Shares in the Fund under the relevant laws and the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements.

The Directors,  
GRE Managed Currency Fund Limited

La Morte Chambers  
Jersey,  
Channel Islands  
30th June 1983

Dear Sirs,

GRE Managed Currency Fund Limited was registered under the laws of Jersey on 30th June 1983. As at the date of this letter it has not traded and no accounts have been prepared.

Yours faithfully,

Coopers & Lybrand  
Chartered Accountants.

**Written Application**

The application forms accompanying this Prospectus must be completed and sent to GRE International Investment Managers Limited, P.O. Box 196, Royal Trust House, Colombia, St. Helier, Jersey, Channel Islands (Telephone No. Jersey (8334) 27444) together with a cheque or banker's draft for the amount to be invested made payable to GRE International Investment Managers Limited.

Please note that the application form accompanied by the cheque or banker's draft should be sent in duplicate to the Managers for the Managers to specify cleared funds by 11.00 a.m. on 20th July 1983.

It is recommended that remittances exceeding £10,000 should be made by telegraphic transfer—see "Telex Application" below.

**Telex Application**

Telex applications should be sent to GRE International Investment Managers Limited (Telex No. 4192351) in the form set out below:

*"I/We hereby apply to invest \_\_\_\_\_ (state amount) in Participating Shares of GRE International Company Fund Limited subject to the Memorandum of Association and Articles of Association of the Fund and the Prospectus dated 8th July 1982.*

*I/We \_\_\_\_\_ (state name and address) (state name and address of your bank) to pay for value on 20th July 1983 that sum free of charges by telegraphic transfer to National Westminster Bank PLC, 23 Broad Street, St. Helier, Jersey, Channel Islands by account of GRE International Investment Managers Limited, re GRE International Investment Managers Limited, Account No. 61889718.*

*Please register the Participating Shares in the name of \_\_\_\_\_ (state full name and address). The contract note and share certificate should be sent to \_\_\_\_\_ (state full name and address).*

*I/We declare that these Participating Shares are not being acquired by or on behalf of a US Person\* and will not be sold beneficially by a Jersey resident who is less than 30 years of age at the date of this application.*

**From: Name(s) \_\_\_\_\_**

**Address \_\_\_\_\_**

**Telephone No. \_\_\_\_\_**

**Telex No. \_\_\_\_\_**

*\*See definition in Application Form.*

**GRE Managed Currency Fund Limited**

When completed this application form must be sent to  
 GRE International Investment Managers Limited, P.O.  
 Box 204, Royal Trust House, Colombario, St. Helier,  
 Jersey, Channel Islands.

Telephone: Jersey (0534) 23441 Telex: 4182551

**Minimum Investment \$200**

This minimum investment amount applies to both the initial  
 investment and to each subsequent investment that may be  
 made.

**The GRE Managed Currency Fund Limited (the  
 "Fund")**

I/We hereby apply for Participating Shares of the Fund  
 subject to its Memorandum and Articles of Association and  
 the Prospectus dated 5th July 1983—

Amount to be invested	£
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(a) *Where Applicants Owing I/We endorse a cheque/banker's draft payable to GRE International Investment Managers Limited.*

*Confirmation of Telex Applications Only I/We confirm that payment of the above amount will be made to National Westminster Bank PLC, 23 Broad Street, St. Helier, Jersey, Channel Islands for account of GRE International Investment Managers Limited for value on 20th July 1983 through (name name of bank paying funds):*

--

(b) *I/We hereby request you to place my/our names on the Register of Members of the Fund as holders of such Participating Shares as are allotted to me/us.*

(c) *I/We understand that such number of Participating Shares will be issued to me/us as the above amount to be invested will purchase at the initial offer price. Fractions of shares will be issued where necessary.*

(d) *I/We declare that these Participating Shares will not be offered beneficially by a Jersey resident who is less than 20 years old at the date of this application.*

(e) *I/We declare that these Participating Shares are not being acquired by or on behalf of a US Person.\**

Date \_\_\_\_\_ Signature \_\_\_\_\_

\*US Person means a national or resident of the United States of America (including its territories, possessions and all areas subject to its jurisdiction), the estate of any such person and any corporation, partnership or other entity created or organized under the laws of the United States of America or any political subdivision thereof.



**By a Special Correspondent**

## CYCLING

From John Wücherson, Le Havre

**Kelly taking second place** 3:18; 12, J van der Velde (Neth), 3:21; 13, R Mathys (Bel), 3:25; 14, A van der Poel (Neth), 3:31; 15, G Nulens (Bel), 3:38.

## YACHTING

## Warden-Owen ahead

The fleet had to cope with the lightest of zephyrs and, after one

**By Alan Gibson**

## Simmons steadies Lancashire

**Birchfield's Commonwealth hammer champion, Bob Weir, has been selected in the first 20-strong batch of British athletes for Helsinki.**

**By Ivo Tennant**

6-0, 6-1; A Ammiraj (Ind) bt E Deacony 6-2, 6-5; J Fever bt R Scott 6-1, 8-4; S Manson (US) bt J Morrison 6-3, 6-3; M Gurnip bt P Lubke (Aus) 6-1, 6-1; G J Mottram bt I Allan 7-5, 6-1.

**LADIES' SINGLES:** Second Round: C Drury bt M Marr 6-0, 6-0; L Gracie bt S Moodie 6-0,

# Simmons steadies Lancashire

**Birchfield's Commonwealth summer champion, Bob Weir, has been selected in the first 20-strong batch of British athletes for Helsinki.**

**By Alan Ross**

## Lancashire    Sussex fail

Indian side who won the World Cup, will not be back with Northamptonshire in time to face Wiltshire on Saturday. Kapil is attending a reception being held by the Indian Prime Minister, Mrs

# Reminder of Neil Harvey

1. 11-6.  
**POWERS'S DOUBLES:** Quarter-Spike: N F  
 and J Webster (GB) bt Lee and Choy L  
 (Hong) (Sing) 15-5, 15-2; Kim and Yoo S  
 (S Korea) bt Troke and S Podger (GB)  
 7, 15-3.

## 50

100







## Testing the water with a minor tour

notes per minute (Arab us  
necessary). Multiples ad  
27,000. 425 7001.  
Refrigerator, immovable  
Tate Apps 01 263 0111.

**EXPERIENCED SECRETARIES**  
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index desirable. 01 235 81

**CARINABLE** FOR  
London) required  
for director, must be in  
educated, presentable, 35  
some flexibility. 55-5000

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shorthand typing. 25-  
27,000. 425 7001.  
The Secretarial Company

**also on page**

... ..







## Country Properties

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**REVENUE**

**STREATLEY ON THAMES**  
**BERKSHIRE**  
A rare opportunity to acquire riverside development, modern split level house built 1968, 3 1/4 bedrooms, 2 bathrooms, central heating, electric, 2 balconies, one on river, large garden, garage with 2 motor cars parking space - just four months.

Other properties 027 990  
Telephone 0481 745 122

**Nr. Odham 1 1/2 miles**  
In highly sought after picturesque village, beautiful period house, 5/5 bedrooms, dressing room, drawing room, dining, conservatory/playroom, study, utility, 2 bedrooms, double garage, orchard.

**Offers in excess £140,000**  
**(025671) 2108 or**  
**(08704) 203 (even only)**

**BRIGHTON**  
Superb 2 story bedroom apartment, 2 parking on front, nice reception rm, large sun terrace, fully fitted kit, underground car park. 24 hr porterage. Must be seen to be appreciated.  
**\$29,950**  
Tel 01262 7287

**DUNWICH**  
HISTORIC VILLAGE ON  
THE COAST

**WELWYN**  
Delightful 4 bed, 3, bath. Country  
House with exposed beams and open  
fire places. A superb 2 acres 4 rods  
situated just in easy reach of motor-  
way & shopping. Realistically priced at

**WALTHAM  
ST. LAWRENCE**  
Fine period house in heart of  
conservation village. Superb  
spacious accom. overlooking  
beautiful south facing gale. 4  
bedrooms, 2 bathrooms,  
cloakroom, reception hall,  
dining room, dining room,  
kitchen, breakfast room,  
study, conservatory, winging  
for several cars. See agents

**Isle of Skye**

Rare opportunity to purchase former Directors Inn with 30 acres c. 1710. Beautifully maintained. 4 bedrooms, lounge, dining room, sitting room, fully fitted stone kitchen, large fully self contained annex, boat house, seven horse garage, glorious sea and mountain views. Further details. Tel: 0185 625 616 (hwy) or 0185 594 712 (even).

**ASHDOWN FOREST**  
52 acres and site for detached house. Auction 27th July. R.401  
**POWELL & PARTNER LTD.**  
Forest Row  
(0342 82) 2361

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**KINGSWOOD, SURREY**  
A magnificent Colonial-style house, built 8 years ago, 5 beds, 3 baths, set in 1 1/2 acre of landscaped garden.

**£159,000**  
Tel: Mogador (0737) 833805

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**EVENOAKS (WILDERNESSE)  
KENT**

Luxury country house between 2  
old courses. 6 beds., dress. rm., 3  
bath., 4 reas., claus., kit., etc. Scope  
for unit. 20ac. gar. gas ch. drive-  
woodlands of 7 acres. £250,000.  
threshold.

**PARSONS**  
129 High Street, Sevenoaks  
Tel: 461741

**ATLAS HOLIDAY HOMES**  
 In beautiful Norfolk at the Walsham  
 Park, 1 mile from the market town  
 of North Walsham, only 5 miles  
 from golden sandy beaches and  
 within easy reach of the famous  
 Norfolk Broads. For further infor-  
 mation apply to Rodney Blow, or  
 Paul Knights of Park Homes Assoc.  
 Ltd., Norwich, Norfolk, NR12 0AL.

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**TEL: HICKLING**  
 (0696 261) 269

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**FINCHAMSTEAD**  
**BERKSHIRE**

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**BORAD ST WOKINGHAM**  
**0734 784500 & 781320**

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**IDEAL 3 GENERATIONS**

Long Crendon, 5 double bedrooms family home, plus 4 room s/c flat, 1.5 acres, secluded yet close village centre, beautiful setting. £112,500.

**Tel: 0844 208531**

**SEX:** Chelmsford; (Liverpool St 35 mins). Attractive detached residence, dining rm, bright rm, kit., bathroom, kitchen, 3 bedrooms, willow garden, double garage, central heating, shower ensuite, CH, Apm CBB, tile paragon, 1 acre garden. Cost £80,000. Tel: (0245) 360803.

**WRECKING, PANGBOURNE**, stylish comfortable family home with 6/7 bedrooms, 3 bathrooms, 2 car garage, 1 acre garden on edge of village, adjoining open land. £145,000. 2 acres, paddocks available. Pangbourne 2000.

**NEAR FAIRMOUTH**, 3 bedrooms semi, detached, £26,500. For details phone: Bishop Stortford 5471.













**Edited by Peter Dear**

CHOICE

**News.**  
**VHF only Open University:**  
 11:20pm Ideology and Tradition  
 11:40-12:00 Ideologies of School Music.

**Radio 2**

**Programs on the hour every hour (except  
 10pm and 3:00p) Major Broadcasts: 7:00-  
 8:00, 1:00 pm, 5:00 and 12:00**  
 7:00-8:00 (7:00), 5:00-6:00 (5:00)  
 7:30 Terry Wogan! 10:00  
 11:00 Young 1, 12:00 Music While You  
 Wait 1, 12:30 Gloria Hunniford  
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**7 & 8.15 Listen to the Band with  
the Chester? 9.00 The Organist  
joins with Nigel & Ogden. 9.30  
Sir Craig says Thanks for the  
story. 9.57 Sports Desk. 10.00  
The band with name with Eddie Sheeran,  
Joan, Alison Steadman. 10.30  
The Matinee Musical Theatre  
Night (starts from midnight).  
Home Folk on 21 2.00-5.00 Patrick  
presents You and the Night and  
Music?**

**Radio 1**

**on the half hour from 6.30am  
to 9.30pm and then at 10.00 and 12.00  
Night (see Radio 1's website)  
Mike Smith, 9.00 Richard Skinner.  
Simon Bates with the Radio 1**

[illegible]

News, 10.00 The World Today, 10.25  
 Choice, 10.30 Financial News, 10.40  
 10.45 10.55 11.00 11.05 11.10  
 News, 11.00 Twenty, 11.15 Whip  
 11.20 11.30 The World, 12.00 World News  
 News About Britain, 12.15 Radio  
 12.30 12.35 12.40 12.45 Radio  
 12.50 1.15 1.45 News and  
 2.00 World News, 2.00 Review of the  
 Press, 2.15 The Country, 2.30  
 2.35 3.00 World News, 3.00 News  
 Sent, 3.15 The World Today, 3.30 A  
 Official, 3.45 3.50 3.55 4.00  
 News, 5.00 World News, 5.00 Twenty-  
 four, 5.45 The World Today  
 (All times in GMT)

**LI**A London except 9.25  
 Seaside Street, 9.25  
 10.10 Music Man, 11.30-12.00  
 Your Wins, 1.20-1.30 News

**TTISH** As London except:  
8:25am Sesame Street,  
to the Wild Country, 11:15s Flying  
1:40-1:20am Fingering. 1:20-1:40

**KSHIRE** As London except:  
9.25 Sesame Street.  
Portraits of people, 10.50 Insects  
p.u. 11.00 Vicky the Viking.  
2.00 Wonderful world of  
Kor Koral, 1.20pm-1.30 News.  
1.55 Front strokes, 6.00-6.35  
Ar. 12.25 Closedown.

1976, 1977 Eggs & \$15, Opens Tue 7pm  
 Post Rock 1978

**JOHN MILLS**  
 HONY BATE    CONNIE BOOTH  
 PAUL MARLOWE

**LITTLE LIES**  
 Joseph Caruso's new comedy adapted  
 from Pinero's "The Magistrate"

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**ART GALLERIES**

N. JACOBS GALLERY, 5024  
 James St. S.W. 11 01-50 3709  
 1976, 1977, 1978, 1979, 1980, 1981  
 Old Master Paintings, Mon.-Fri

W. J. GIFFAY, 4 & 23 Dering  
 W. ANSELN JEFFER, Paintings

N. LIBRARY, Great Russell  
 Street, W.C1 THE MIRROR OF THE  
 WORLD, 1976, 1977, 1978, 1979, 1980, 1981  
 Premier, weekdays 10-5, Sundays

[illegible]

**WINE BOOTH.** Exhibition of Old  
King's road, S.W.3. Tel. 352  
Sats 10-12.30.

**WINE GALLERY, 30, Bruton St.**  
Oct. 1952-1972. 3. Important XN  
XX century drawings of art  
work, June 15-July 22. Men-Fri 10-5  
Sats 10-12.30.

**WINE GALLERY, 30 Bruton St.**  
Oct. 1952-1972. Contemporary  
drawings on view. Men-Fri 10-5 and  
Sats 10-12.45

**WINTER FINE ART, 1 Harbord Rd.**  
Oct. 1952-1972. Important  
works by Modern Masters. Ladies  
12.30-4.30. Mornings, 10.30-12.30.  
Sats, Mornings, 10.30-12.30.

**LEONORAH & ALBEMAR, 31,  
HENRY MOORE, 11, ROSS ST.**  
Exhibition until 15 AUGUST 1972.  
Oct. 1952-1972. Men-Fri 10-5  
Sats 10-12.30.

**"NOMENON"**  
Country  
**MBERANWA**  
Zimbabwe  
h Institute  
London, W8  
uly  
Tel: 01-603 4535  
attendance  
Sunday 2-5.



## Move to deter tours to S Africa

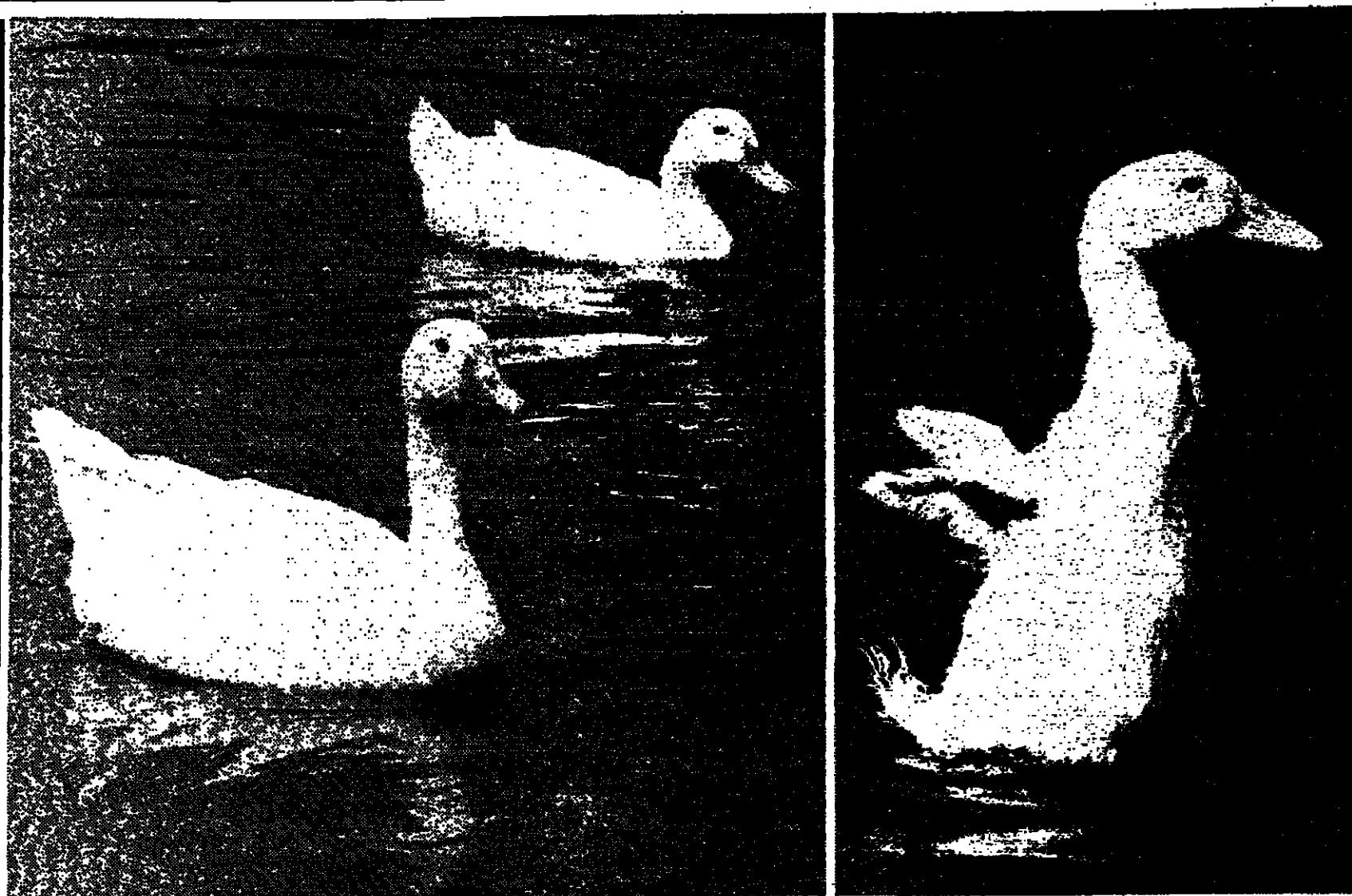
England's Test cricketers are to be asked to sign revised contracts intended to deter them from lucrative appearances in South Africa. It was announced last night. But Peter Lush, the Test and County Cricket Board promotions officer, made it clear that the fresh commitments will not mean any extra money.

After a meeting of the TCCB, Mr Lush said: "Representatives of the TCCB will shortly be meeting the Cricketers' Association and members of the England team to discuss proposals to revise contracts of cricketers selected to play for their country."

"It is planned to include clauses in the contracts which are designed to deter England players from playing 'representative' matches in South Africa. The proposals do not involve any additional payments being made by the board to players selected to play for England."

Mr Lush added: "We would expect our negotiations to be successful." The ICCB have acted following events of 18 months ago, when 15 players took part in an unofficial tour to South Africa. They collected up to £50,000 a man, but Geoff Boycott, Graham Gooch and others were banned by the TCCB from international cricket for three years.

MCC's dilemma, page 26



The rail commuters who head for their London offices from Lewes and other East Sussex stations this morning will probably not realize that their journey takes them close to the home of the greatest surprise

that has confused British naturalists this year.

The line from Lewes to Haywards Heath passes close to the farm where the first "guck" known to

science has been taking to the water for the first time.

The bird is one of the first known brood to result from the crossing of a gander and a duck. The nearest

such cross known to the Wildfowl Trust is between a goose and a swan. The "guck" may never be seen again: such oddities seldom persist for more than one generation.

## Resorts draw a veil over natural sunbathing

By Alan Hamilton

The current outbreak of tanning weather has sent the borough solicitors of the British seaside resorts quietly rummaging through ancient legal tomes for a precise definition of indecency. They have been unable to find one.

The problem, if problem it be, has been caused in recent days by a rash of mammary exposure, as women sun worshippers remove their bikini tops to brown the parts ordinary sunbathing cannot reach.

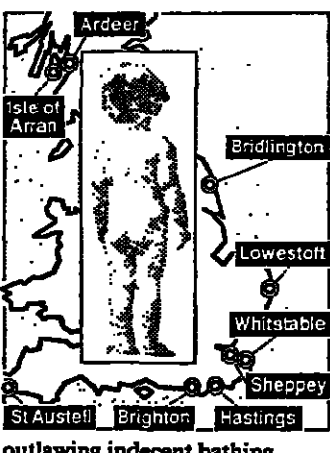
At least two councils, Bournemouth and Torbay, have been stirred to action, and have instructed their beach superintendents to ask the women to redraw the veils of decency.

Topless sunbathing is a well-established practice on a great many British beaches, and has rarely been known to give offence. The topless generally inhabit the more remote ends of

the beach well away from the "textiles," as fully fledged nudists refer to those who prefer to cling to the last vestiges of propriety while sunbathing.

Councils in the South-west have been obliged to take discreet action this week because of the sheer weight of even numbers. Spokesmen for both Bournemouth and Torbay said yesterday that their towns were full of young foreign women attending language schools, and the unaccustomed heat had persuaded a great many of them to indulge in the practice which is regarded as perfectly natural in most European countries.

Bournemouth acted upon receiving one complaint. Torbay, which received no complaints, thought it had better act as a precaution. Their strictly limited powers generally stem from ancient local by-laws



outlawing indecent bathing. Bournemouth's by-law of 1833 requires of bathers "covering sufficient to prevent exposure of the person". Which parts of the person are not stated. Fines under the by-laws are desisory, and are rarely more than £5.

Theoretically, beach-breasting could attract the attention of the police as the creation of a public nuisance, but no seaside borough seems able to recall such a case being brought.

Most local authorities take an enlightened view of beach toplessness, and there are no known beaches specifically set aside for topless sunbathing. Full nudity is another set of bumps altogether.

Gymnosophists, as nudists once liked to call themselves, regard topless sunbathing as a tame pursuit. Kate Sturdy, editor of the nudists' monthly magazine *Health and Efficiency*, told *The Times* yesterday: "Full nudity is a natural extension of the mini-bikini; you might as well sunbathe properly."

"It is a highly pleasant experience, being nude. Naturalists are friendlier, because having no clothes breaks down barriers. Why should you cover

up parts which everyone knows are there anyway?" Ms Sturdy claims a boom in nudism, and her 84-year-old magazine sells 130,000 copies monthly, including editions in French and German.

Naturalists now have nine official beaches in Britain where they can enjoy maximum exposure, and a great many more unofficial ones where local authorities turn a blind eye because they are discreetly located and do not cause offence. Mrs Lisa Taphouse, secretary of the Central Council for British Nudism, said yesterday: "We would like a great many more, especially some that you do not have to break your neck to get to."

● The temperature in Southampton reached 84° F yesterday, the highest in the country, and in Essex the heat melted tarmac roads.

## 'Sectarian' left attacked by Hattersley

Continued from page 1

potential leadership concern a narrow internal issue.

"Any individual or group now proposing to campaign for that organization's reprieve is jeopardizing the whole future of the party."

On defence Mr Hattersley said that he opposed cruise and Trident and supported the inclusion of Polaris in multilateral disarmament negotiations; all, as far as it goes, in line with the Labour manifesto.

But on foreign bases he pointed out that party conference had rejected withdrawal from Nato.

Mr Hattersley said that he was opposed to Common Market withdrawal, a view increasingly shared by other leadership contenders.

## Frank Johnson in the Commons

## Apt reply denied to maiden sneer

Mr David Nellist, the new Labour member for Coventry, South-east, and a supporter of the Militant Tendency, in a maiden speech, told the Prime Minister yesterday: "The Cabinet sat down on June 21 to a meal costing £23.50 each."

"Could she explain to the House what it feels like to eat a meal which costs 90 per cent of a single person's sole payment?"

The correct prime ministerial reply to this question was: "Apart from the inordinate number of bones around the table, delicious". Unfortunately, the conventions of demagogic politics make it difficult for Prime Ministers to offer replies of this kind, no matter how ill-natured the intentions of the questioner.

Indeed, Mrs Thatcher managed to avoid having to make any reply at all. For the Speaker, Mr Bernard Weatherill, intervened to tell Mr Nellist that his intervention had nothing to do with the subject of the exchanges. Prime Minister's question time had been dealing with the controversy about proposed cuts in unemployment benefit.

But by the time Mr Nellist had got in, the subject had changed to the issue of whether Mrs Thatcher should have meeting soon with the TUC General Council.

But Mr Nellist's sneer was well received by many on his side of the House. He had not yet made his maiden speech, but Labour members looked forward to sneering more of him.

The earlier exchanges about unemployment benefit took place on an "open" question: a procedural device which enables backbenchers to ask the Prime Minister about virtually any subject.

Mr Greville Janner, the Labour backbencher, demanded to know what she thought of the "iniquitous proposal made by the Chancellor of the Exchequer to reduce the real value of unemployment?"

Mrs Thatcher gave a complicated answer about the rates to be paid from this coming November. Mr Foot rose to demand an answer to Mr Janner's question and Mrs Thatcher became more complicated.

Such is the nature of the open question. Mr Andrew MacKay, a Conservative backbencher, then asked whether she had studied the consequences of the Italian general

election. Those proved that proportional representation in that country meant that "the Italian people are now going to have to suffer yet another chaotic minority coalition government".

Mr Foot later rose and asked again about unemployment benefit. Mrs Thatcher was clearly happier talking about the results of the Italian general election. Mr Foot kept going up and down. Soon Dr David Owen, on behalf of the Social Democrats, joined the struggle.

He has become a formidable questioner of the Prime Minister. She eyed him warily. Unemployment benefit or the Italian general election? Fortunately for her, it turned out to be the Italian general election. It seemed likely that Dr Owen knew even less about it than did Mr Mackay or the Prime Minister. All three would probably be as hard pressed as anyone to name, at any given moment, the Italian Prime Minister.

Spandolini? Or is that a main course? Either way, Dr Owen told her that if the Italians had the British electoral system they would have had a number of Communist governments since the war.

Mrs Thatcher triumphantly insisted that Dr Owen had not had much of a low opinion of the British electoral system when he was Foreign Secretary. But then it was back to unemployment benefit.

Eventually, Mr Norman St John-Stevas, the saint married by Mrs Thatcher in the 1981 Cabinet reshuffle, who miraculously survived the Liberals at Chelmsford, appeared from among the Conservative backbenches as if in a vision.

His origins are said to be deep in the Mediterranean lands. At last, we would get the authoritative word on the Italian general election. But no. "Her statement today on unemployment benefit is extremely welcome, and has made the position clear," he said.

Later, a figure altogether more congenial to Mrs Thatcher rose to open a day debate on housing. Mr Tom Gower, as her parliamentary private secretary, was silent. Parliament and took great care to keep out of the limelight. But there he was at the dispatch box making his first speech as Minister of Housing.

### Today's events

#### Royal engagements

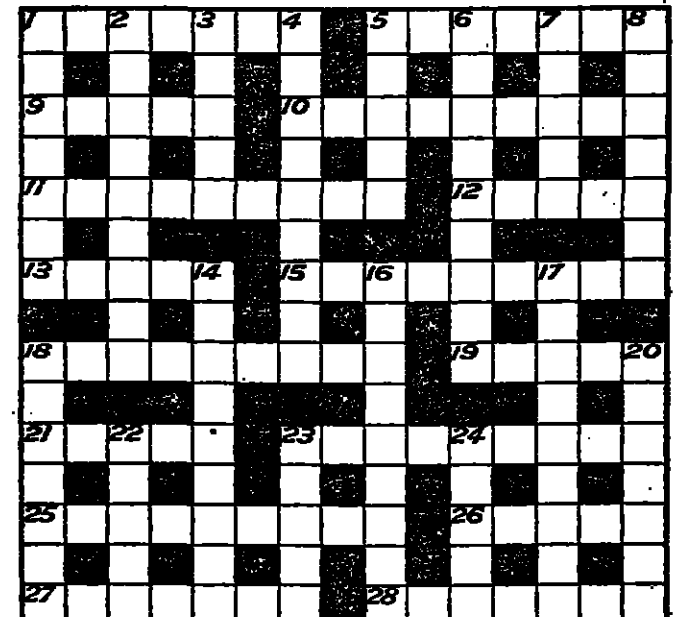
The Princess of Wales visits Elmham School, Camberley, Surrey, 10.45.  
Queen Elizabeth The Queen Mother visits gardens in the London Boroughs of Camden and Islington, 4.40.  
The Duke of Kent visits the Royal Show at the National Agricultural Centre, Stoneleigh, Warwickshire, 10.20.  
Prince Michael of Kent visits Lucas in Birmingham, as President

### of the Institute of the Motor Industry, 11.45.

Princess Michael of Kent attends a gala concert in aid of the Haydn Mozart Society London Mozart Players Endowment Fund Appeal, Festival Hall, London, 7.50.  
Princess Alexandra, Chancellor, presides at congregations for the conferment of degrees at Lancaster University, 12; opens the Post House Hotel, Lancaster, 6.

New exhibitions  
Paintings by Michael Finch, City Museum and Art Gallery, Peterborough; Tues to Sat 10 to 5.

### The Times Crossword Puzzle No 16,174



#### ACROSS

- His view of Ulysses was singular (7).
- Bloomer made by precise university lecturer, albeit initially (7).
- An advance, say, made by oneself (5).
- Wig-maker, perhaps, providing security (9).
- Does he make off with a youngster taking forty winks? (9).
- Get an eye of that figure! (5).
- He was good in going after a kangaroo (5).
- Rita loses materials, but suits us nonetheless (9).
- Candy's a bit near the bone, they say (9).
- Figure record held in Asia, but capital lacking (5).
- Fussyfoot in one game or another (5).
- Lie about spurious item of academic dress (9).
- USSR capitalist? (9).
- Admiral who died a rout? (5).
- Voluptuous girl unwelcome in a china shop (7).
- Jack attains objectives (7).

#### DOWN

- Expert journalist, though crazy (7).
- It's noted to impede steps taken in Holland (4-5).
- Gay work for a beggar? (5).
- Potential explosive a favourite in arms talks, note (9).

#### Solution of Puzzle No 16,173

1 By taking in an aircraftman he sets the seal of progress (5).  
2 In prison, mostly, financial commitments are underhand (9).  
3 Availing oneself of American gin outfit (5).  
4 Old invader of Italy adjusted or got shot (9).  
5 "Is it weakness of —, birdie?" cried (Gilbert) (9).  
6 Ape goes in to ruin Smiley's (9).  
7 Meat product's identified with this island (7).  
8 Direct speech (7).  
9 Drunkard upset about a tragic 3 (5).  
10 Tuck possibly found in the chip shop, we hear? (5).  
11 As a church officer's detained the girl (5).



### closed Sun & Mon; from today until July 30.

Virpi in Britain: books and graphics, Somerset County Museum, Taunton Castle, Mon to Sat 10 to 5, closed Sun; (until Sept 2).  
Exhibitions in progress  
Sure and Steadfast: Boys' Brigade and City of Edinburgh exhibition, Canongate Tolbooth, 163 Canongate, Edinburgh; Mon to Sat 10 to 5, closed Sun; (until July 31).  
A Child's Life in the 1920's, and Tartan and Plaids; Haggis Castle Museum, 100 St Andrews Drive, Glasgow; Mon to Sat 10 to 5, Sun 2 to 5; (until end of Aug).

Sculpture by Antoine Bourdelle, National Museum of Wales, Main Building, Cathays Park, Cardiff; Mon to Sat 10 to 5, Sun 2.30 to 5; (until July 31).

The Local Chronicle Exhibition, Ragdale Room, Newark House Museum, The Newark, Leicester; Mon to Sat 10 to 5.30, Sun 2 to 5.30, closed Fri; (until July 31).

A Timeless Journey: paintings by Tristram Hillier, Canterbury Hall, Lister Park, Bradford; Tues to Sat 10 to 6, closed Mon; (until July 31).

Children's Photographic Exhibition, Impressions Gallery of Photography, 17 Colliergate, York; Tues to Sat 10 to 6, closed Sun and Mon; (until July 16).

Leading entries in the design competition for a new gallery for the Oriental Museum, University of Durham School of Oriental Studies, Elvet Hill, Durham; Mon to Fri 9.30 to 1 and 2.15 to 5, Sat 9.30 to 12, closed Sun; (until Sept 3).

White Elephants and Shrunken Heads: Royal Albert Museum, Queen Street, Exeter; Tues to Sat 10 to 5, closed Sun & Mon; (until Aug 27).

Kafka: century exhibition: From Post to Post: autograph manuscripts and early publications, Bodleian Library, Oxford; Mon to Fri 9 to 5, Sat 9 to 12.30; (until Aug 25).

Modern British Pottery, Peter Dingley Gallery, 16 Meier Street, Stratford upon Avon; Mon to Sat 9.30 to 1.30 and 2.30 to 5.30, Thurs 9.30 to 1.30, closed Sun; (until Aug 13).

David Shilling Hats, Art Gallery and Museum, Clarence Street, Cheltenham; Mon to Sat 10 to 5.30, closed Sun; (until July 30).

Paintings by Dennis Hawkins and ceramics by Val Barrys Oxford Gallery, 23 High Street, Oxford; Mon to Sat 10 to 5; (ends today).

Music  
Organ recital by Noel Rawsthorne, Rochester Cathedral, 8.  
Organ recital by Ronald Leith, St Mary's Cathedral, Edinburgh, 8.  
Recital by Margaret Davies (contralto) and David Syrus (piano), St Alban's Cathedral, 1.30.

New stamps  
Five stamps issued today by the Post Office have as their theme British military history, and depict soldiers through the ages from pikemen to paratroopers. (Values: 1p, 20p, 25p, 28p and 31p.)

Parliament today  
Commons (2.30): Finance Bill, second reading.  
Lords (2.15): Debate on problems of school leavers.

### New books - hardback

The Library Edition's selection of interesting books published this week:  
A Mail on the Head, by Clara Boylin (Hamish Hamilton, £12.50).  
King George V, by Kenneth Rose (Weidenfeld & Nicolson, £12.50).  
Politics in the Ancient World, by Moses Finley (Cambridge, £15, paperback £5.95).  
Snowflake Complete, by Christopher Chippindale (Thomas & Hudson, £12.50).  
Sun & Sheaf, a history of the Boy's Brigade 1883 to 1983, by John Springhall, Brian Fraser, & Michael Hoare (Collins, £10).  
The Letters of John Middleton Murry to Katherine Mansfield, edited by C. A. Hankin (Constable, £9.95).  
The Philosophy of Schopenhauer, by Brian Magee (Oxford, £17.50).  
The Oxford-Dictio English-Japanese Dictionary (Oxford, £15).  
The Younger Pitt, the Reluctant Transition, by John Eymann (Constable, £20).

### The papers

The Daily Star attacks the "oil mugs" for "playing musical chairs" with petrol prices. "It is not free competition, but economic anarchy. And there is massive suspicion and cynicism throughout the country at this ludicrous dance of the billionaires." It urges the office of Fair Trading to intervene.

### National Day

Malawi today celebrates its independence from Britain in 1964. The former protectorate of Nyasaland became the independent state of Malawi after a five-year struggle under the leadership of Dr Hastings Banda. Dr Banda, who is thought to be in his eighties, has been the country's President ever since.

### Anniversaries

Birnie Paul Jones, Scottish-born naval officer in the American War of Independence, Kirkcubright, Kirkcubright, 1747; Sir Stamford Raffles, founder of Singapore, at sea, 1781. Deaths: Sir Thomas More, executed Tower Hill, 1535; Edward VI (reigned 1547-53), London, 1553; Kenneth Graham, author of *Wind in the Willows*, Pangbourne, Berkshire, 1932.

### Bond winner

The winning number in the Premium Bond monthly draw for £250,000 is 1492429997 (the winner comes from West Sussex).

### Pollen forecast

	Pollen count	Peak time
Alder	High	6 pm to 9 am
Birch	Med	noon to 3 pm
Grass	Low	noon to 3 pm
Heather	Low	noon to 3 pm
Hawthorn	Low	noon to 3 pm
Willow	Low	noon to 3 pm
Yew	Low	noon to 3 pm
Box	Low	noon to 3 pm
Privet	Low	noon to 3 pm
Rose	Low	noon to 3 pm
Sycamore	Low	noon to 3 pm
Walnut	Low	noon to 3 pm
Witch Hazel	Low	noon to 3 pm

The pollen count for London issued by the Airborne Research Council at 10 am yesterday was 105 (very high) for today's reading call Brian Tatham's Weatherline: 01-248 8081, which is updated each morning at 10.30.

### Roads

London and South-east: A104: Balls Pond Road, Dalston, closed westbound; diversions: A2: East-bound lane closure at Berkley, E of A223, Black Prince Roundabout. A12: Lane closures on Margarettown by-pass, Essex.

Wales and West: A361: Roadworks on Taunton to A361 road W of Wiveliscombe, Somerset. A35: Traffic control on Bore Regis by-pass, Dorset. M5: Northbound slip road closed at junction 25 (Taunton); diversion via junction 26 for Taunton traffic.

Midlands and East Anglia: Heavy traffic on A46, A45 and A444 because of Royal Show, or Kenilworth. A45: Roadworks on Nene Valley Way at junction of Bedford Road roundabout, Northampton. M54: Lane closure on Bedford by-pass, diversion at junction 3.

North: M62: Lane closures between junctions 23 and 24 (Ruddersfield). M6: Northbound slip road between junctions 32 and 33 (M625 turn-off to Lancaster South); diversions possible. A19: Lane closures on Thame by-pass, N Yorks.

Seaside: A82: Temporary lights S of Cambridgeshire at Blackwater. Central: A7: Stop/go boards at High Street and North Bridge Street, Havick, Borders. M6: Closed eastbound overnight from junction 18 (Charing Cross) to 15 (Torbarn) by-pass, N Yorks. Information supplied by the AA.

### The pound

	Bank	Bank	Bank
Australia \$	1.83	1.74	
Austria Sch	28.70	27.15	
Belgium Fr	81.50	77.50	
Canada \$	1.24	1.26	
Denmark Kr	14.62	13.92	
Finland Mk	8.92	8.42	
France Fr	12.10	11.60	
Germany DM	4.06	3.86	
Greece Dr	139.00	129.00	
Hongkong \$	11.29	10.64	
India Rs	1.29	1.23	
Italy Lira	2400.00	2280.00	
Japan Yen	368.00	368.00	
Netherlands Gld	4.55	4.33	
Norway Kr	11.57	11.02	
Portugal Esc	182.00	170.00	
Spain Ptas	2.11	1.96	
Sweden Kr	225.00	214.00	
Switzerland Fr	12.18	11.58	
USA \$	3.37	3.20	
Yugoslavia Dnr	1.57	1.52	

Rates for small denominated bank notes only, as supplied by Barclays Bank International and other foreign currency business.  
Retail Price Index: 333.9.  
London: The FT Index closed down 10.0 at 691.8.

## Weather forecast

Pressure will be low in S with a trough of low pressure close to NW parts.

6 am to midnight

London, SE, central S, SW England, East Anglia, Midlands, Channel Islands: Sunny or partly cloudy; occasional showers; wind mainly SE, light; max temp 22 to 25C (72 to 77F).

E, NW, central N, NE England, Wales, Lake District, Borders, Edinburgh, Dundee, Aberdeen: Sunny or clear periods; isolated thunderstorms; wind variable, light; max temp 23 to 26C (73 to 77F).

Ile of Man, SW Scotland, Glasgow, central Highlands, Moray Firth, Argyll, Northern Ireland: Sunny intervals, becoming rather cloudy with perhaps outbreaks of rain; wind mainly S, light; max temp 20 to 22C (68 to 72F).

NE, NW Scotland, Orkney, Shetland: Mostly cloudy, outbreaks of rain, till day wind SW, moderate; max temp 15 to 17C (59 to 63F).

Outlook for tomorrow and Friday: Bright intervals and breezy showers, prolonged in places becoming cooler.

SEA PASSAGES: S North Sea, Strait of Dover, English Channel (E): Wind NE, moderate to strong, locally strong intervals; sea moderate. St George's Channel, Irish Sea: Wind variable, light; sea slight.

Sun rises: 4.51 pm. Sun sets: 8.19 pm.  
Moon rises: 1.51 am. Moon sets: 4.46 pm.  
New Moon: July 10.

### Lighting-up time

London 5.40 pm to 4.22 am  
Brighton 5.40 pm to 4.22 am  
Manchester 10.00 pm to 4.10 am  
Preston 10.00 pm to 4.10 am

### Yesterday

Temperatures at midday yesterday: C, cloud; F, sun; S, rain; N, snow.  
London C 22.7 F 72.9  
Brighton C 22.7 F 72.9  
Manchester C 22.7 F 72.9  
Preston C 22.7 F 72.9  
Edinburgh C 22.7 F 72.9  
Glasgow C 22.7 F 72.9  
Liverpool C 22.7 F 72.9  
Newcastle C 22.7 F 72.9  
Nottingham C 22.7 F 72.9  
Oxford C 22.7 F 72.9  
Sheffield C 22.7 F 72.9  
Southampton C 22.7 F 72.9  
Stoke-on-Trent C 22.7 F 72.9  
Tyneside C 22.7 F 72.9  
Wolverhampton C 22.7 F 72.9  
Wrexham C 22.7 F 72.9

### London

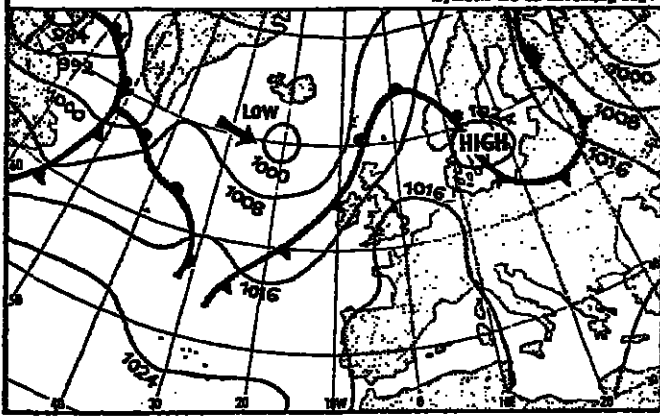
Yesterday: Temp max 6 am to 6 pm, 24C (75F); min 6 pm to 6 am, 17C (63F).  
Humidity: 6 pm, 45 per cent. Rain: 24 to 6 pm, 0.1 mm. Wind: 6 pm to 6 am, 12 mph, SE. Sea: 6 pm to 6 am, 1.0 m. Visibility: 10.0 km. Cloud: 100 per cent.

### Highest and lowest

Yesterday: Highest day temp: Southampton, 29C (84F); lowest day temp: Fair Isle, 11C (52F).  
Highest night temp: Southampton, 14.9C (58.8F); lowest night temp: Fair Isle, 1.5C (34.7F).

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### NOON TODAY Pressure is shown in millibars FRONTS Warm Cold Occluded



### NOON TODAY

	Temp	Wind	Cloud	Temp	Wind	Cloud
London	10.0	10.0	10.0	10.0	10.0	10.0
Aberdeen	10.15	3.5	11.00	3.5	11.00	3.5
Aberdeen	10.40	10.5	11.2	10.5	11.2	10.5
Ballisat	9.0	1.5	9.0	1.5	9.0	1.5
Cardiff	3.25	9.8	3.50	9.8	3.50	9.8
Darwin	1.48	5.5	2.50	5.5	2.50	5.5
Dover	7.55	5.5	2.10	5.5	2.10	5.5
Falmouth	2.18	4.5	2.00	4.5	2.00	4.5
Glasgow	3.05	4.0	10.00	4.0	10.00	4.0
Harwich	8.50	3.4	9.00	3.4	9.00	3.4
Hayhead	7.19	4.7	8.02	4.7	8.02	4.7
Leamington	3.05	3.7	3.00	3.7	3.00	3.7
Shannon	2.31	7.2	3.06	7.2	3.06	7.2
Leith	7.12	4.7	8.00	4.7	8.00	4.7
Liverpool	8.03	7.0	6.41	7.0	6.41	7.0
Liverpool	8.47	2.1	6.13	2.1	6.13	2.1
Margate	5.5	4.1	5.11	4.1	5.11	4.1
Margate	2.49	4.0	4.55	4.0	4.55	4.0
Newbury	1.48	5.7	2.22	5.7	2.22	5.7
Oldbury	2.12	3.2	2.12	3.2	2.12	3.2
Panama	1.05	4.5	1.52	4.5	1.52	4.5
Portland	3.9	1.4	3.48	1.4	3.48	1.4
Perthmouth	6.11	8.8	6.45	8.8	6.45	8.8
Sheffield	7.55	4.9	8.34	4.9	8.34	4.9
Southampton	7.58	3.8	5.58	3.8	5.58	3.8
Stirling	6.11	3.5	6.25	3.5	6.25	3.5
Tees	12.36	4.4	12.44	4.4	12.44	4.4
Walsen-on-Ness	8.41	8.8	8.41	8.8	8.41	8.8

-blue sky; -blue sky and cloud; -cloudy;  
 -overcast; -fog; -drizzle; -hail; -mist;  
 -rain; -rain and hail; -snow;  
 Arrows show wind direction, wind speed (mph)